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GENERAL MOTORS CORPORATION ANNUAL REPORT 1971





CADILLAC Fleetwood Brougham



COVER

Pictured in front of General Motors' new Vehicle Emission Laboratory at the Proving Ground are a Chevrolet Impala 4-Door Hardtop (foreground) and a Buick GS Sport Coupe (background).

GENERAL MOTORS CORPORATION SIXTY-THIRD ANNUAL REPORT 1971

YEAR ENDED DECEMBER 31,

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PRINCIPAL OFFICES

3044 W. Grand Boulevard, Detroit, Michigan 48202
767 Fifth Avenue, New York, New York 10022

Stock Transfer Offices

767 Fifth Avenue, New York, New York 10022
100 W. Tenth Street, Wilmington, Delaware 19899
55 Hawthorne Street, San Francisco, California 94120
231 S. La Salle Street, Chicago, Illinois 60690
220 W. Congress Street, Detroit, Michigan 48226
21 King Street, E., Toronto 1, Ontario
1350 Sherbrooke Street, W., Montreal 25, Quebec

The Annual Stockholders' Meeting

will be held on May 19, 1972, in Detroit, Michigan. It is expected that proxy material will be sent to stockholders beginning about April 13, 1972, at which time proxies for use at this meeting will be requested.

GENERAL MOTORS CORPORATION BOARD OF DIRECTORS

STEPHEN D. BECHTEL, JR.
President, Bechtel Corporation

EUGENE N. BEESLEY
Chairman of the Board, Eli Lilly and Company

LLOYD D. BRACE
Former Chairman of the Board,
The First National Bank of Boston

ALBERT BRADLEY
Former Chairman,
Board of Directors

HARLEE BRANCH, JR.
Former Chairman of the Board,
The Southern Company

EDWARD N. COLE
President and Chief Operating Officer

JOHN T. CONNOR
Chairman of the Board,
Allied Chemical Corporation

FREDERIC G. DONNER
Former Chairman,
Board of Directors

RICHARD C. GERSTENBERG
Chairman, Board of Directors
and Chief Executive Officer

JOHN F. GORDON
Former President

JAMES R. KILLIAN, JR.
Honorary Chairman of the Corporation,
Massachusetts Institute of Technology

OSCAR A. LUNDIN
Executive Vice President

JOHN A. MAYER
Chairman, Board of Directors,
Mellon National Bank and Trust Company

J. WESLEY McAFEE
Chairman, Board of Directors,
Union Electric Company

W. EARLE McLAUGHLIN
Chairman and President, The Royal
Bank of Canada

HOWARD J. MORGENS
Chairman of the Board,
The Procter & Gamble Company

CHARLES S. MOTT
Honorary Chairman, Board of
Trustees, and Treasurer, Charles
Stewart Mott Foundation;
Chairman, Board of Directors,
United States Sugar Corporation;
Director, water utilities in Illinois,
Indiana, Missouri and New York;
Former Vice President

THOMAS A. MURPHY
Vice Chairman,
Board of Directors

THOMAS L. PERKINS
Chairman of the Trustees,
The Duke Endowment

JAMES M. ROCHE
Former Chairman,
Board of Directors

GEORGE RUSSELL
Former Vice Chairman,
Board of Directors

GERALD A. SIVAGE
President, Marshall Field
& Company

LEON H. SULLIVAN
Pastor, Zion Baptist Church
of Philadelphia

HAROLD G. WARNER
Executive Vice President

OFFICERS

RICHARD C. GERSTENBERG
Chairman

THOMAS A. MURPHY
Vice Chairman

EDWARD N. COLE
President

EXECUTIVE VICE PRESIDENTS

OSCAR A. LUNDIN
HAROLD G. WARNER

VICE PRESIDENTS

JOHN D. BAKER
JOHN B. BELTZ
LOUIS H. BRIDENSTINE
BOYD B. BROWNELL
HAROLD W. CAMPBELL
MARTIN J. CASERIO
PAUL F. CHENEA
ROBERT W. DECKER
JOHN Z. DeLOREAN
ANTHONY G. De LORENZO
GEORGE R. ELGES
ELLIOTT M. ESTES
STEPHEN H. FULLER
HARLOW W. GAGE
JOSEPH E. GODFREY
REUBEN R. JENSEN
ROBERT L. KESSLER
JAMES E. KNOTT
ROBERT F. MAGILL
ROSS L. MALONE
LEWELL N. MAYS
F. JAMES McDONALD
WILLIAM L. MITCHELL
GEORGE B. MORRIS, JR.
FRANK O. RILEY
CHARLES J. SCANLON
KENNETH N. SCOTT
ROGER B. SMITH
ERNEST S. STARKMAN
RICHARD L. TERRELL
HENRY W. WELCH
WALLACE E. WILSON
FRANK J. WINCHELL
ROLAND S. WITHERS
MACK W. WORDEN

DAVID C. COLLIER
Treasurer

ARCHIE M. LONG
Comptroller

GEORGE W. COOMBE, JR.
Secretary

COMMITTEES

FINANCE

RICHARD C. GERSTENBERG
Chairman

EUGENE N. BEESLEY
LLOYD D. BRACE
EDWARD N. COLE
JOHN T. CONNOR
FREDERIC G. DONNER
JOHN F. GORDON
OSCAR A. LUNDIN
HOWARD J. MORGENS
THOMAS A. MURPHY
THOMAS L. PERKINS
JAMES M. ROCHE
GEORGE RUSSELL

EXECUTIVE

EDWARD N. COLE
Chairman
RICHARD C. GERSTENBERG
OSCAR A. LUNDIN
THOMAS A. MURPHY
HAROLD G. WARNER

AUDIT

J. WESLEY McAFEE
Chairman
HARLEE BRANCH, JR.
JOHN A. MAYER
W. EARLE McLAUGHLIN

BONUS AND SALARY

LLOYD D. BRACE
Chairman
STEPHEN D. BECHTEL, JR.
EUGENE N. BEESLEY
FREDERIC G. DONNER
JOHN F. GORDON

PUBLIC POLICY

JOHN A. MAYER
Chairman
JOHN T. CONNOR
JAMES R. KILLIAN, JR.
GEORGE RUSSELL
GERALD A. SIVAGE

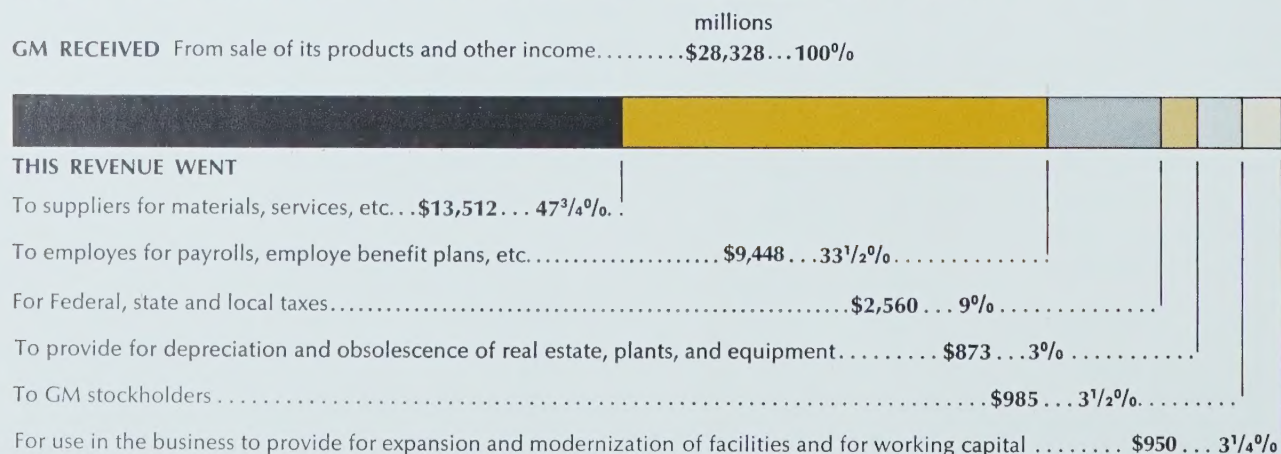
ADMINISTRATION

EDWARD N. COLE
Chairman
JOHN D. BAKER
JOHN B. BELTZ
MARTIN J. CASERIO
JOHN Z. DeLOREAN
GEORGE R. ELGES
ELLIOTT M. ESTES
HARLOW W. GAGE
RICHARD C. GERSTENBERG
JOSEPH E. GODFREY
REUBEN R. JENSEN
ROBERT L. KESSLER
OSCAR A. LUNDIN
LEWELL N. MAYS
F. JAMES McDONALD
THOMAS A. MURPHY
FRANK O. RILEY
KENNETH N. SCOTT
ROGER B. SMITH
RICHARD L. TERRELL
HAROLD G. WARNER
HENRY W. WELCH
WALLACE E. WILSON

GENERAL MOTORS HIGHLIGHTS

	1971	1970	1969
DOLLAR SALES OF ALL PRODUCTS			
United States Operations			
Automotive products	\$22,619,113,000	\$13,420,833,000	\$18,895,778,000
Nonautomotive products	1,560,884,000	1,523,190,000	1,622,732,000
Defense and space	414,617,000	534,884,000	698,019,000
Total United States Operations	24,594,614,000	15,478,907,000	21,216,529,000
Canadian Operations	2,470,395,000	1,309,509,000	1,985,455,000
Overseas Operations	4,112,314,000	3,652,151,000	3,378,453,000
Elimination of Intercompany Sales	(2,913,405,000)	(1,688,213,000)	(2,285,296,000)
Total	\$28,263,918,000	\$18,752,354,000	\$24,295,141,000
FACTORY SALES OF CARS AND TRUCKS			
Manufactured in U.S. plants	5,767,000	3,591,000	5,260,000
Manufactured in Canadian plants	509,000	291,000	501,000
Manufactured in Overseas plants	1,503,000	1,426,000	1,399,000
Total	7,779,000	5,308,000	7,160,000
NET INCOME			
As a percent of sales	\$ 1,935,709,000	\$ 609,087,000	\$ 1,710,695,000
Earned per share of common stock	6.8%	3.2%	7.0%
Dividends per share of common stock	\$6.72	\$2.09	\$5.95
	\$3.40	\$3.40	\$4.30
TAXES			
United States, foreign and other income taxes provided	\$ 1,784,100,000	\$ 185,100,000	\$ 1,866,300,000
Other taxes provided	775,900,000	679,800,000	670,400,000
Total	\$ 2,560,000,000	\$ 864,900,000	\$ 2,536,700,000
Total taxes per share of common stock	\$8.95	\$3.03	\$8.89
Total taxes per dollar of net income	\$1.32	\$1.42	\$1.48
Total taxes per dollar of dividends	\$2.60	\$0.88	\$2.05
REAL ESTATE, PLANTS, AND EQUIPMENT (Excluding Special Tools)			
Plant expenditures for year	\$ 1,012,968,000	\$ 1,134,165,000	\$ 1,043,842,000
Balance at December 31	5,507,392,000	5,413,457,000	5,133,691,000
INVESTMENT AS OF DECEMBER 31			
Net working capital	\$ 4,530,387,000	\$ 3,267,591,000	\$ 4,548,891,000
Stockholders' equity	10,805,237,000	9,853,771,000	10,227,904,000
WORLDWIDE EMPLOYMENT			
Average number of employes	773,000	696,000	794,000
Total payrolls	\$ 8,015,072,000	\$ 6,259,841,000	\$ 6,928,279,000

WHAT HAPPENED TO THE REVENUE GM RECEIVED DURING 1971

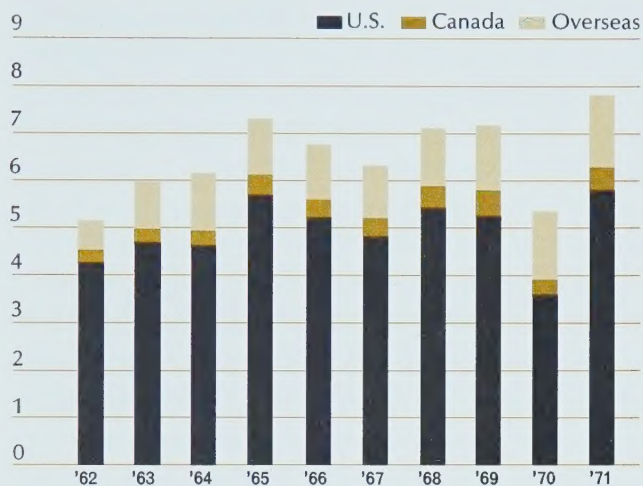


10-YEAR TRENDS

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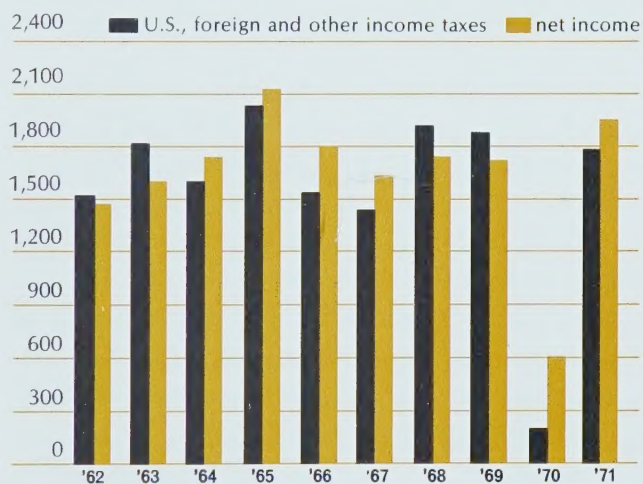
GM Worldwide Factory Sales—Cars and Trucks

millions of units



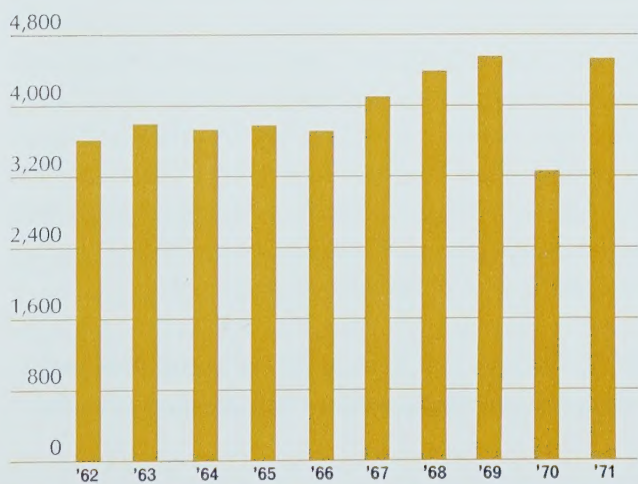
Taxes and Net Income

millions of dollars



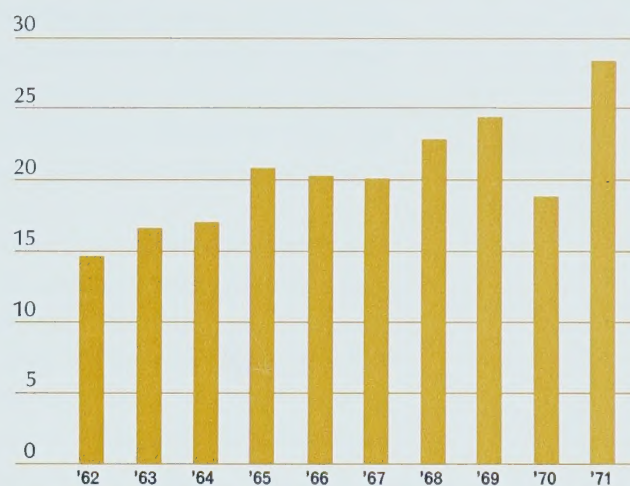
Net Working Capital

millions of dollars



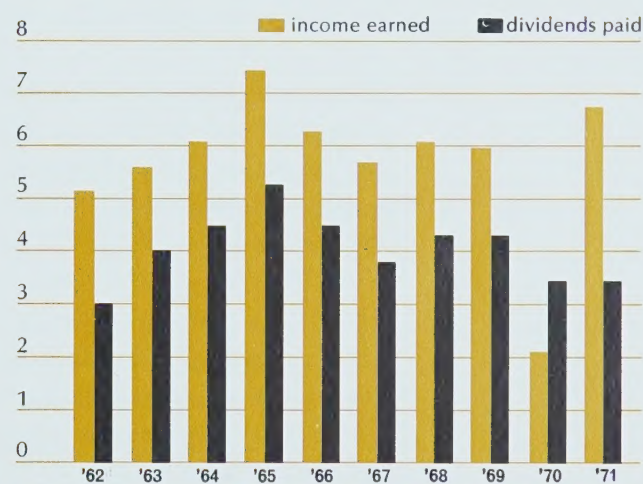
Dollar Sales

billions of dollars



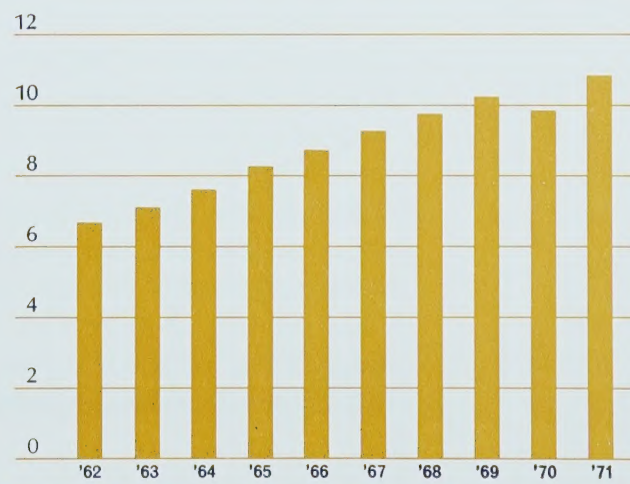
Earned Per Share of Common Stock

dollars



Stockholders' Equity

Common and Preferred Stockholders



Three major developments strongly influenced the performance of General Motors in 1971. The first was the upsurge in sales early in the year as the Corporation restocked dealer inventories depleted by the UAW strike in late 1970. The second was the consistent pressure that rising costs and intensified competition exerted on profits throughout the year. The third and most dramatic was President Nixon's economic program which highlighted a year of gradual improvement in the national economy.

The President's program has had a continuing and mixed impact upon our operations. It has served to stimulate sales by bringing first the prospect and then the actual repeal of the excise tax on new cars and light trucks, by freezing the prices of 1972-model vehicles at the lower 1971 levels for more than three months, and by temporarily increasing the import surcharge on foreign cars from 3.5% to 10%, thereby making American cars more competitive in price.

Against this eventful economic background, General Motors again set sales records. The year was the best in the Corporation's history in terms of vehicles sold, topping by 7% the previous high of 1965. A record 7.8 million GM cars and trucks were sold throughout the world. Total sales of \$28.3 billion also set a record.

Record sales, however, did not result in record profits. Earnings per share of common stock in 1971 were \$6.72 as against only \$2.09 in the strike year of 1970, and \$5.95 in 1969. Annual dividends were \$3.40 per share in both 1971 and 1970. During 1971, costs increased substantially: the cost of materials, especially steel, went up, as did employee wages and benefits. Price increases, averaging 4.1% for 1972 cars, trucks and options, that would have recovered a part of these higher costs were announced on August 5, ten days before the President's announcement of the price freeze. In the spirit of the program, GM's immediate response was to rescind the increases. Consequently, 1972 cars and trucks were offered at 1971 prices until price increases averaging 2.5% on cars, trucks and options were approved by the Price Commission on November 30, 1971. The 2.5% increase still did not recover the increased costs, and this had its predictable effect on profits. Early in 1972, GM was granted an additional average price increase of .9% on cars, trucks and options. This, however, only covered product improvements and emission-control equipment, as well as safety equipment required to meet government standards.

Despite its impact on GM's earnings, the Corporation maintains its steadfast support of the President's program, believing that a prospering and sound economy will produce long-term benefits to all sectors of American society. Recognizing the decisive importance of greater productivity to the economic future of both our Corporation and the United States, we are continuing our intensive efforts to increase the efficiency of all our operations. Our efforts recognize the principle that to produce more with the same amount of human effort is a sound economic and social objective.

During 1971, General Motors spent \$237 million in the United States to fulfill its pledge to take the automobile out of the air-pollution problem, and to eliminate pollution from

our plants. This year we expect to spend over \$300 million to carry us further toward these objectives. Also during 1971, the Corporation formed an Environmental Activities Staff to improve our study and control of the effects of our products and plants on the environment. The General Motors Science Advisory Committee, composed of some of the nation's foremost scientists, was also established. It assists in technological and scientific matters, and advises the Corporation on its research activities, with emphasis on meeting environmental and social objectives. This month the Corporation, upon the Committee's recommendation, is initiating a substantial expansion of the GM Research Laboratories, particularly in the areas of transportation and urban planning, atmospheric and bio-medical research and the behavioral sciences.

There is no question of the national desire to improve the quality of the environment—to reduce air, water, noise, and other forms of pollution, and to assure increased highway and industrial safety. There is also no question that this will be costly, and that these costs will find their way into the prices of products. If the price increases are to be kept at a minimum, the benefits of every corrective program must justify the additional price to the consumer. With this vital cost-benefit relationship always in mind, GM is working to add to the considerable progress already achieved in reducing pollution and increasing the safety and repairability of our vehicles. In spite of our continuing intensive efforts, we still lack the technology to meet the stringent standards for automotive emissions established by the government for 1975 and 1976 vehicles.

In other areas of social concern, General Motors in 1971 instituted extensive training programs to qualify new employes, added significantly to minority enrollment at General Motors Institute, and emphasized the hiring and upward progress of minority employes. We continued to assist low-cost urban housing, provided additional help to minority-owned businesses, and increased our deposits in minority-owned banks.

In this connection, it should be emphasized that our activities directed toward our national social objectives are possible only because General Motors has been able to earn the profit necessary to meet its traditional business obligations to its owners, employes, customers, and suppliers. Without adequate profit opportunities, neither our nation nor our Corporation can realize our ambitious social objectives.

During the year, General Motors strengthened its position around the world. The Corporation purchased an interest in Isuzu Motors Limited, a Japanese manufacturer of passenger cars and trucks; established a new vehicle-assembly company in Malaysia; and took steps to establish another in the African Republic of Zaire. We are actively studying potential operations in several other countries, including South Korea and the Philippines.

GM plans to spend \$1.1 billion in 1972 to improve efficiency and productivity, and to expand and modernize facilities, reflecting the vitality of the business all around the world. This will be the sixth time in eight years that General Motors' capital spending will exceed \$1 billion. Substantial expenditures will be made by GM do Brasil to produce a new small car and to expand existing production facilities for the popular Opala line. In Germany, Adam Opel AG is increasing capacity and building additional safety and

emission-control facilities. In the United States, expenditures will be made by GM Assembly Division in Tarrytown, New York, and by Buick Motor and Fisher Body Divisions in Flint, Michigan, to modernize passenger car production facilities. Expenditures for air- and water-pollution control facilities are being made by most plants, with major expenditures by Cadillac Motor Car Division in Detroit, Michigan, Buick Motor Division in Flint, Michigan, Pontiac Motor and GMC Truck & Coach Divisions in Pontiac, Michigan, Chevrolet Motor Division in Saginaw, Michigan, and Delco Moraine, Delco Products and Frigidaire Divisions in Dayton, Ohio.

In our outlook for 1972, the expected continued improvement in the economy should result in another record sales year, even though GM will not have the advantage gained in 1971 by the restocking of the strike-depleted inventories. Car sales in the United States may reach 10½ to 11 million units this year. Further, we expect the share of the domestic market taken by North American-built cars, such as the Chevrolet Vega, will continue to gain. Truck sales are forecast to be approximately 2¼ million units. So prospects seem promising for sales of cars and trucks in the U.S. to reach 12¾ to 13¼ million units in 1972—4% to 8% above the 12½ million units sold in 1971.

Much of the significant progress made by General Motors in recent years has been due to the thoughtful and effective leadership of James M. Roche, who retired as Chairman and Chief Executive Officer on January 1, 1972. In his 44 years of dedicated service to the Corporation, he made many lasting contributions to our organization. We are pleased and fortunate that he will continue to serve General Motors as a member of the Board of Directors and the Finance Committee.

The entire General Motors organization was saddened in early 1972 by the death of two automotive pioneers. R. Samuel McLaughlin, who played a major role in the establishment and growth of the Canadian automobile industry, died on January 6, a few months after his 100th birthday. This was more than 80 years after he entered the McLaughlin Carriage Works, which evolved into General Motors of Canada Limited, of which he remained the active Chairman until his death. Less than two weeks later, Edward F. Fisher, who also was prominent in the history of the industry as well as General Motors, died in Detroit. Mr. Fisher was an officer of GM for many years and was a member of the Board of Directors for 27 years. With his famous brothers, he made "Body by Fisher" synonymous with General Motors and automotive craftsmanship. All who have a stake in the automobile business owe a lasting debt to these legendary industrialists and men of General Motors.

The progress of General Motors in 1971, as in every year, was possible only because of the loyalty of our customers, the dedicated efforts of our employees, dealers, and suppliers, and your support as an owner of our business. We extend to all of them—and especially to you—our sincere thanks.

This report is prepared and submitted to the stockholders of General Motors by order of the Board of Directors.

E. N. Cole
PRESIDENT

R. C. Gerstlitz
CHAIRMAN

FINANCIAL REVIEW

The Corporation's operating results for 1971 were favorably influenced by a high level of demand for the Corporation's products and the need to restock dealer inventories following the conclusion of the UAW strike against General Motors. Results in 1971 were also affected by President Nixon's economic program, which had a favorable effect on vehicle sales but reduced the extent to which cost increases could be recovered in prices.

Worldwide dollar sales of GM products totaled a record \$28.3 billion in 1971, compared with \$18.8 billion in strike-affected 1970 and \$24.3 billion in 1969. GM operations in the U.S. accounted for 79% of total 1971 worldwide sales before the elimination of inter-company sales—92% of the U.S. total representing automotive product sales, 6% nonautomotive products and 2% defense and space product sales. Including sales to affiliated companies, the Canadian operations accounted for 8% of worldwide dollar sales, with overseas operations accounting for the remaining 13%.

Earnings per share of common stock were \$6.72 in 1971, compared with \$2.09 per share in 1970 and \$5.95 in 1969. The 1970 earnings reflected an income tax surcharge, annualized at a rate of 2.5%, which was equivalent to \$0.04 per share, while the 1969 earnings reflected a 10% tax surcharge, which was equivalent to \$0.54 per share.

As stated in the Annual Report a year ago, the increased selling prices of 1971 models established in November 1970, were insufficient to recover fully the higher costs. Subsequently, substantial increases have been incurred in the cost of materials, employee wage and benefit costs and other operating expenses. As a result of the President's economic program, prices for 1972 models were held at the 1971 level from August through November, in spite of increased costs reflecting product improvement items on the 1972 models and further material and labor cost increases.

On November 30, the Price Commission approved General Motors' request for average increases of 2.5% in the prices of its 1972 model cars, trucks and optional equipment. GM's request for higher prices was held to 2.5% in spite of the fact that cost increases for the 1972 models through December 31, 1971, totaled 4.9%, after allowance for possible productivity gains in line with the long-term experience for the U.S. economy. The application for the price increase was based upon the objective of regaining the historical level of productivity gains so essential to a healthy economy. Also, on December 21, 1971, the Price Commission approved

price increases averaging 2.5% on automotive service parts and most nonautomotive products. In spite of the unfavorable relationship between cost and price increases, the Corporation was able to achieve earnings per share of \$6.72 in 1971 as a result of the need to satisfy retail demand deferred during the strike in the latter part of 1970, intensive cost reduction efforts, increased operating efficiencies, and a smooth start-up of 1972-model car and truck production.

However, income in 1971 did not keep pace with the upward trend in sales achieved in recent years. As a result, the Corporation's profit margin (net income as a percentage of sales) was 6.8% in 1971, compared with 3.2% in strike-affected 1970, 7.0% in 1969, and 7.6% in 1968. This trend reflects the increased cost of labor and materials and product improvements, some of which are required by law. These costs have been only partially recovered in the price of new vehicles and other products.

General Motors operations in the United States accounted for approximately 88% of 1971 worldwide profits before income taxes, equity income and certain other items of income and expenses of a general corporate nature. On this same basis, profits from overseas operations represented about 8% of the total in 1971, and Canadian operations accounted for the balance of 4%. The percentage contributions to profits in 1971 were comparable to those in recent years, except for 1970 when U.S. and Canadian operations were adversely affected by the UAW strike.

Of the total of such profits earned by the U.S. operations in 1971, over 98% was accounted for by automotive operations. Nonautomotive operations and defense business accounted for the remainder, which was a somewhat smaller proportion than in recent years.

Dividends paid on the common stock totaled \$3.40 per share in both 1971 and 1970, compared with \$4.30 per share in 1969. The dividend of \$3.40 per share paid by General Motors in 1970 exceeded by \$1.31 the Corporation's earnings per share of \$2.09. Combined dividends for 1971 and 1970 were \$6.80 per share—77% of combined earnings of \$8.81 per share. This compares with an average dividend payment of 70% of earnings in the ten years prior to 1970.

Taxes

The provision for United States, foreign and other income taxes in 1971 was \$1,784 million, compared with \$185 million in the strike-affected year of 1970 and \$1,866 million in 1969. Together with other state

and local taxes and the Corporation's share of social security taxes, the total tax provision in 1971 was \$2,560 million.

Including excise taxes, which are excluded from sales, cost and profit figures but are paid by the buyers of GM products, all taxes applicable to GM operations in 1971 were \$3,771 million. The amount is equivalent to \$1.95 for every dollar of net income and \$13.19 per share of common stock. This reflects repeal of both the 7% excise tax on passenger cars sold after August 15, 1971, and the 10% excise tax on light trucks under 10,000 pounds Gross Vehicle Weight sold after September 22, 1971.

Expenditures for Plant, Equipment and Special Tools

Worldwide expenditures for plant and equipment totaled \$1,013 million in 1971, and provided for capacity expansion, modernization and plant replacements. Approximately 80% of the expenditures was made in the United States. In 1970, spending for plant

and equipment totaled \$1,134 million. Depreciation and obsolescence charged to income in 1971 was \$873 million, compared with \$821 million in 1970.

General Motors has consistently expended substantial sums for facilities to comply with existing Federal, state and local safety and health standards. However, compliance with the standards established by the Occupational Safety and Health Act of 1970 will require even greater expenditures in the next few years.

Expenditures for special tools totaled \$631 million in 1971, compared with \$1,149 million in 1970. Tool amortization amounted to \$918 million in 1971 and \$677 million in 1970.

Net Working Capital

Net working capital at December 31, 1971, totaled \$4,530 million. This was substantially higher than the strike-reduced level of \$3,268 million at the end of 1970, but approximately the same as the \$4,549 million at December 31, 1969. A statement setting forth the changes in financial position during the years 1971 and 1970 appears on page 32.

Common Stockholders' Equity

The equity of the common stockholders is represented by the common stock, capital surplus and net income retained for use in the business. This amounted to \$10,522 million at the end of 1971, an increase of \$951 million during the year, due primarily to reinvestment of earnings. As a result, book value per share of common stock increased from \$33.28 at the end of 1970 to \$36.58 at the end of 1971.

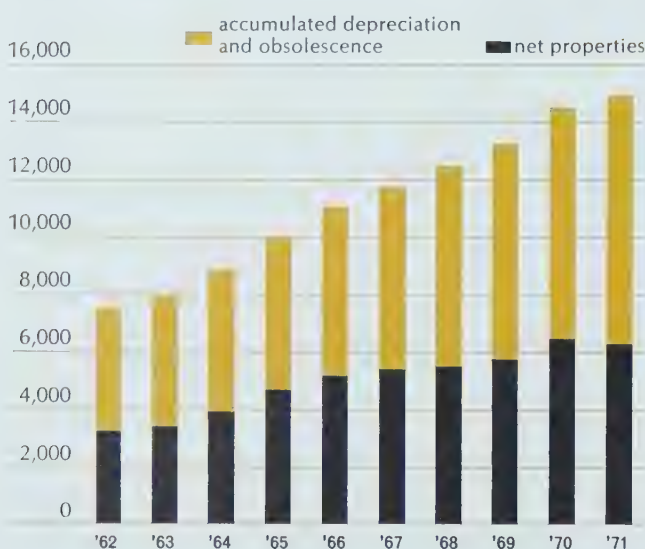
Pension Funds

Pension funds in the United States, under the pension plan for hourly employees and the trustee part of the retirement program for salaried employees, are managed by a group of bank trustees. Stated at cost, these funds totaled \$3.2 billion at the end of 1971. General Motors payments into the trusts and net income earned by the trusts totaled \$690 million during 1971. Reflecting pension payments amounting to \$249 million, the resulting net increase in the pension funds for the year amounted to \$441 million. Details are shown in the tabulation on page 36.

The insured part of the U.S. salaried employees' retirement program is administered by three insurance companies. Separate arrangements are made for employees in Canada and other countries where General Motors pension plans are in effect.

Real Estate, Plants, and Equipment

millions of dollars



Worldwide factory sales of General Motors cars and trucks in 1971 were a record 7,779,000 units, an increase of 47% over the 5,308,000 units sold in 1970 and 9% above the 7,160,000 units sold in 1969. Sales in 1970 reflected the general slowdown in the U.S. and Canadian economies and the UAW strike.

During 1971, the demand in the United States for smaller, lower-priced vehicles continued to increase. General Motors broadened its response to this demand with the Chevrolet Vega, which has been exceptionally well received since its introduction in September 1970, and the Chevrolet Nova; the Pontiac Ventura II, which made its debut in March 1971; and the Opel line. These smaller cars are giving General Motors additional strength in this highly competitive segment of the business.

Retail sales of Opel models in the United States totaled 88,500 units in 1971, compared with 86,600 units in the previous year.

The competitive position of many cars produced in the U.S. was improved as a result of price increases on foreign cars, reflecting rising manufacturing costs, higher foreign exchange rates and the imposition of the import surcharge on August 15. Subsequent price changes following the revaluation of foreign currencies, and the elimination of the surcharge and the U.S. excise tax, left U.S.-produced cars in a relatively better competitive position than in the earlier months of 1971.

U.S. Factory Sales of Cars and Trucks

Factory sales of GM cars and trucks produced in the United States totaled 5,767,000 units during 1971, an increase of 61% over the 3,591,000 units sold in the strike-affected previous year, and an increase of 10% over the 5,260,000 units sold in 1969.

Chevrolet Motor Division's Vega has enjoyed an excellent reception by both dealers and customers. Beginning in September 1972, the Vega will also be produced at the GM plant at Ste. Therese, Quebec, in addition to the original Vega plant at Lordstown, Ohio.

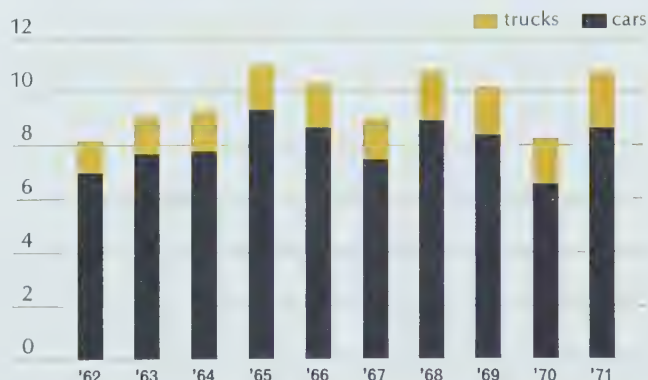
Sales of the regular-size Chevrolet, Nova and Monte Carlo models also were excellent, and Chevrolet became the first individual auto maker to retail more than three million passenger cars and trucks in a single year. Pontiac's regular-size and Grand Prix models sold well and the Division ranked third in retail deliveries in the United States. Oldsmobile Division set a calendar-year factory sales record of 775,000 units in 1971. Sales of regular-size Oldsmobile models



Rodger H. Rewitzer, machine operator with Hydra-Matic Division, is one of 31 GM employees honored in 1971 as a winner of the GM Award for Excellence in Community Activities. Active in work with young people, he participates in community and youth activities and teaches baseball and fishing five nights a week. Other winners are pictured on the pages that follow.

U.S. Industry Factory Sales

millions of units



accounted for 56% of this total and the Toronado, Oldsmobile's personal luxury car, represented 11% of the Division's regular car total.

Buick Motor Division's Electra 225, Le Sabre and Riviera models were also very well accepted. Cadillac factory sales of 277,000 units set a calendar-year sales record in 1971. GMC Truck & Coach sales totaled 172,000 in 1971, an all-time record.

Industry factory sales of cars and trucks produced in the United States totaled 10,638,000 units in 1971, compared with 8,239,000 units in 1970, an increase of 29% and 10,143,000 units in 1969, an increase of 5%.

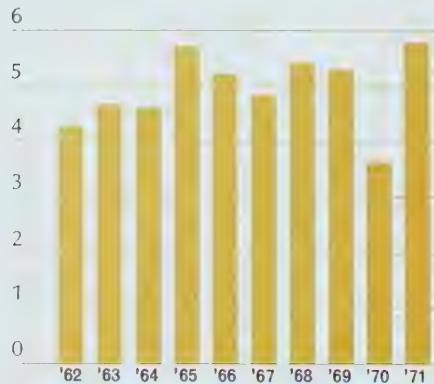
Prices

General Motors 1972-model cars and trucks were introduced on September 23, 1971, during the 90-day wage-price freeze. Tentative passenger car prices had previously been announced on August 5, representing list price increases averaging \$144 per car, or 4.1%, above comparably-equipped 1971 models. Prices of 1972 optional equipment averaged approximately 3.2% higher, for an overall increase averaging 3.9%. This pricing made no provision for the three-point safety belt and warning system which was required equipment effective with January 1972 production.

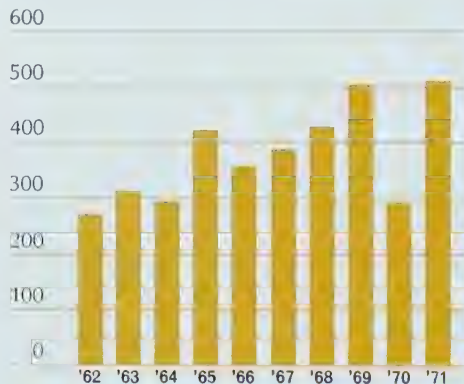
These price increases were rescinded immediately following the President's announcement on August 15. Until price increases averaging 2.5% on cars, trucks and optional equipment were approved by the Price Commission on November 30, all North American-type 1972 GM cars and trucks in the U.S. were sold at

GM Factory Sales of Cars and Trucks

U.S. Plants
millions of units



Canadian Plants
thousands of units



Overseas Plants
thousands of units



prices equal to or lower than comparable 1971 vehicles. The same action was taken by the Corporation with respect to Canadian vehicles.

After submission of data to the Price Commission under Phase II, the Price Commission approved, on December 21, 1971, price increases averaging 2.5% on automotive service parts and most nonautomotive products.

On January 10, 1972, the Price Commission approved additional increases averaging 0.9% for GM cars, trucks and options. This increase, effective January 13, provided for product improvements, including improved bumper reinforcement on all regular-size cars and exhaust emission control changes, which had been standard since the start of 1972-model production. In addition, the increase provided for the new three-point safety belt and warning system.

After reflecting the January 1972 adjustment, list price increases applicable to 1972-model passenger cars average \$132, or 3.8% above comparably-equipped 1971 models. Including the 2.5% increase on optional equipment, the price of an average equipped 1972 passenger car is 3.5% above the 1971 model.

Canadian Factory Sales

General Motors factory sales of vehicles produced in Canada in 1971 totaled 509,000 units, an increase of 75% over the 291,000 units sold in 1970 when sales were adversely affected by the UAW strike. Factory sales totaled 501,000 units in 1969. In 1971, GM of Canada also sold 180,000 vehicles imported from GM plants outside Canada.

Expressed in U.S. dollars, sales by General Motors of Canada Limited in 1971 totaled a record \$2.5 billion, 89% above 1970 when operations were adversely affected by the strike. On the same basis, net income was a record \$79 million in 1971, compared to a \$25 million loss in 1970.

Nonautomotive Products

General Motors sales of commercial nonautomotive products in the United States in 1971 totaled \$1.6 billion, 2% above sales in the previous year.

Detroit Diesel Allison Division is producing a 325-horsepower gas turbine engine for trucks, buses, generator sets, construction equipment and boats. Limited deliveries of the engine, called the Allison GT-404, began during the fall of 1971.

Frigidaire Division's appliance operations have been adversely affected in recent years in part because

of the higher wages and benefits paid its employees, as compared to employees of competing appliance manufacturers.

Recognizing this disadvantage, the International Union of Electrical, Radio and Machine Workers, along with those hourly employees assigned to household appliance manufacturing operations at Frigidaire, agreed to waive contractual pay raises for two years, including the 3% increase scheduled for 1971 and 1972, the cost-of-living increase scheduled for December 1971, and any future cost-of-living increases during the current contract. The IUE also agreed with General Motors that for Frigidaire appliance operations, the National Agreement would be extended from September 1973 until May 1974.

This agreement was an important step toward parity



Mrs. Evelyn Sutton is an assembly line operator, Delco Products Division, Rochester, N.Y. The mother of seven children, she was president of the Rochester Federation of Negro Women's Clubs and a member of Mothers Who Care club, which sends servicemen gifts. In 1971, she hosted ten young ladies attending the State Convention of Negro Youth Federation.



Forrest E. Hickman, a senior computer operator at GM Assembly Division's Wilmington, Delaware plant, devotes more than 70 hours a month to community activities. These include his local Civic Association, Junior Achievement, and the Boy Scouts of America.

in labor rates between Frigidaire and its competitors in the appliance business and demonstrated a sincere and meaningful effort by Frigidaire employees.

By the end of 1971, the Division had recalled over 200 laid-off employees, and by February 1, 1972, had recalled nearly 800 more, with additional recalls planned in February and March. In addition, Frigidaire has reduced prices of its refrigerators and home laundry products and has undertaken major new sales and merchandising programs.

Delco Electronics Division continued its significant contributions to the Apollo space program. As mobility systems subcontractor to the Boeing Company, Delco Electronics supplied the wheels, drive and steering systems, suspension, brakes, hand controller, and drive control electronics for the Lunar Rover used in the successful Apollo 15 mission. Delco Electronics also built the successful guidance and navigation systems for both the mission's Command and Lunar Modules. Delco Electronics' Carousel IV inertial navigation system, first put into service in January 1970, is now in use on Boeing 747 superjets

and other commercial aircraft.

In 1971, Electro-Motive Division's total sales volume reached a new record. Deliveries of locomotives to U.S. and overseas railroads reached high levels, and the Division's sales of replacement parts and rebuilt components established new records for the year. In Canada, sales of diesel-electric locomotives by the Diesel Division of General Motors of Canada Limited were also at record levels.

General Motors Overseas

In 1971, GM established new records for both unit and dollar sales outside the United States and Canada. Factory sales of 1,503,000 passenger cars and commercial vehicles produced overseas, together with sales of 89,000 exports from the United States and Canada, totaled 1,592,000 units, up 7% from the previous high of 1,490,000 units in 1970. Total sales of all products overseas in 1971 amounted to \$4.1 billion, a 13% increase over the record \$3.7 billion established in 1970.

Net earnings from sources outside the United States and Canada were \$103 million in 1971, compared with \$118 million in 1970 and \$160 million in 1969. Net income earned outside the U.S. and Canada was 5% of General Motors total net income in 1971, compared with 19% in 1970 and 9% in 1969. The 1970 percentage was higher than normal as a result of the strike in the United States and Canada.

In 1971, General Motors operations outside the United States made a favorable contribution of \$551 million to the U.S. balance of payments. General Motors contributions since the end of World War II have been \$13.7 billion.

Factory sales of Adam Opel AG in 1971 were a record 824,000 vehicles, compared with 807,000 units in 1970. In 1971, 418,000 units, or 51%, were exported for sale outside of Germany. Total Opel sales amounted to \$1,048 million in 1971, compared with \$951 million in 1970.

In England, factory sales of Vauxhall cars and Bedford trucks totaled 331,000 units in 1971. This compares with 270,000 units in 1970, when production was interrupted by strikes, both at Vauxhall and at supplier firms. Sales of Bedford commercial vehicles were at a record level in 1971. Total Vauxhall sales amounted to \$474 million in 1971, compared with \$329 million in 1970.

In Australia, General Motors-Holden's Pty. Limited had total factory sales of 188,000 vehicles in 1971, compared with 190,000 units in 1970. Holden's con-



CHEVROLET Caprice Coupe

tinued to rank first in Australian domestic car sales. Total Holden's sales in 1971 amounted to \$465 million, compared with \$443 million in 1970.

In Latin America, factory sales by General Motors do Brasil S.A. amounted to a record 82,000 units in 1971, compared with 70,000 units in 1970. Factory sales by General Motors Argentina S.A. in 1971 amounted to 31,000 vehicles, compared with sales of 35,000 units in 1970. Factory sales of General Motors de Mexico, S.A. de C.V. rose to 30,000 vehicles in 1971, compared with 26,000 in 1970.

Because of limitations in the technical, administrative and commercial areas which would have been placed upon General Motors Chile S.A. under the terms of the Chilean government's automotive industry program, the Corporation discontinued automotive assembly activities in Chile on December 31, 1971.

Factory sales by General Motors South African (Pty.) Limited amounted to 17,000 units in 1971, compared with 29,000 units in 1970.

General Motors acquired a 34.2% interest in Isuzu Motors Limited on September 30, 1971. Isuzu, a Japanese manufacturer of passenger cars and trucks, sold 137,000 vehicles in 1971 and has 12,500 employees. Chevrolet Motor Division will market and service small Isuzu pickup trucks in the United States and General Motors Overseas Operations will distribute Isuzu products in certain overseas markets.

Strong growth rates for motor vehicle sales are anticipated during the next several years in the developing countries of Africa and Southeast Asia. General Motors actively seeks to participate in supplying the world's growing transportation requirements in all areas where such participation is consistent with the interests of the countries concerned and the Corporation. GM's good industrial citizenship, technological resources and employe-training programs contribute significantly to the development of the nations in which it operates.

During 1971, General Motors established a vehicle-



PONTIAC Bonneville 4-Door Hardtop

assembly company in Malaysia and signed an agreement with the Republic of Zaire in Africa to establish an assembly plant for passenger cars and commercial vehicles at Kinshasa.

Studies for projects in other countries are continuing, including interchange programs for vehicle components on a regional basis to achieve economies in volume production, while contributing to the industrial growth of each country.

In the countries where General Motors operates, it is the Corporation's practice to hire, train and promote nationals. Of the 180,000 employees of the General Motors Overseas Operations, only some 300 are Americans assigned from the United States to positions overseas.

Expenditures for Plant and Equipment

General Motors spent \$1,013 million for new plants and equipment and the modernization of existing facilities during 1971. Of this total, more than 80% was spent in the United States, and the remainder was spent in Canada and overseas.

As a part of General Motors continuing industrial

pollution-control program, a number of projects were undertaken in 1971. GM Assembly Division announced plans for improved air- and water-pollution control facilities at its Leeds, Missouri, plant and made sizable expenditures during 1971 for completion of a waste-water treatment facility at its Tarrytown, New York, plant. Two Fisher Body Division water-pollution control systems became operational during 1971—an expanded clean-water facility in Pontiac, Michigan, and a new system for cleansing storm- and industrial-waste water at Grand Blanc, Michigan. At the same time, substantial progress was made toward the completion of other new water-treatment facilities at Fisher Body plants in Hamilton, Ohio, and Flint, Lansing and Grand Rapids, Michigan.

Frigidaire Division began work on air-pollution control facilities for its Moraine City, Ohio, powerhouse and Delco Moraine Division began construction of an industrial-waste treatment facility at Dayton, Ohio.

GMC Truck & Coach Division began work on a central waste-treatment system and the replacement of steam-generating boilers in Pontiac, Michigan.

A number of major modernization programs were

undertaken or continued during 1971. Expenditures are being made by GM Assembly Division to modernize passenger car production facilities in Tarrytown, New York, and in Janesville, Wisconsin, and to modernize soft-trim facilities at Fremont, California. Buick Motor Division and Fisher Body Division began modernization of car assembly facilities at Flint, Michigan.

In the Detroit area, capital spending in 1972 will include sizable expenditures at Chevrolet Gear and Axle, Detroit Diesel Allison Division, Cadillac Motor Car Division and Fisher Body Division, as well as the General Motors Building.

Overseas, GM do Brasil S.A. announced a major program in 1970 to manufacture a new small passenger car in Brazil. This program is on schedule, and present plans are to introduce the new car in 1973. Because of increased demand, GM do Brasil is further expanding existing facilities to increase Opala passenger car production capacity.

In Germany, Adam Opel AG announced it will construct a new safety test building and additional facilities for the development and testing of systems to control exhaust emissions. A project to increase production capacity is nearing completion, including installation of additional large press lines at Opel plants in Bochum and Kaiserslautern.

GM Luxembourg S.A. completed construction of a factory at Bascharage, Luxembourg, and began production of TEREX front-end loaders and haulers. GM New Zealand Limited announced expansion and modernization of its household appliance manufacturing facilities.

GM and the Environment

The Environmental Activities Staff was formed early in 1971 to coordinate and direct further study and control of the effects of GM's products and facilities on the environment. Professor Ernest S. Starkman, formerly of the University of California at Berkeley, was elected GM Vice President for Environmental Activities. The establishment of the Staff consolidated several existing activities: Automotive Safety Engineering, Automotive Emission Control, Product Assurance, Experimental Safety Vehicle Group, Plant and Environmental Engineering, and Vehicle Noise Control.

Also in 1971, upon the recommendation of the Public Policy Committee, GM enlisted some of the nation's leading scientific talent to assist the Corporation in meeting the demands of our rapidly advancing society. The result is the General Motors Science Advisory

Committee headed by Dr. Charles H. Townes, a Nobel Prize physicist and a professor at the University of California. The other members are:

Dr. Raymond F. Baddour, Head of the Department of Chemical Engineering and Director of the Environmental Laboratory at the Massachusetts Institute of Technology.

Dr. Lee A. DuBridge, former Science Adviser to President Nixon and former President of the California Institute of Technology.

Dr. Martin Goland, President of the Southwest Research Institute.

Dr. Robert S. Morison, Professor of Science and Society in the Program on Science, Technology and Society, and Professor of Biology at Cornell University.

Dr. Robert L. Sproull, President of the University of Rochester.

The GM Science Advisory Committee is assisting General Motors management by advising and making recommendations on technological problems incident to the operations of the Corporation.

Expansion of GM Research Activities

On February 10, 1972, the Corporation announced a major expansion of the General Motors Research Laboratories over the next several years. This action reflected the recommendations of the GM Science Advisory Committee following a comprehensive review by the Committee of the Corporation's research activity. In 1971, GM spent \$839 million for research and development activities related primarily to the development of new products or services or the improvement of existing products or services, including activities related to vehicle emissions-control and the safety of persons using GM products.

The Committee reviewed GM's extensive research efforts in areas such as air-pollution control and automotive safety. The Committee recognized that a significant portion of the Corporation's existing research capabilities had been necessarily focused on solving these pressing technological challenges. Accordingly, the Science Advisory Committee recommended an expansion of the Corporation's research staff to augment the Corporation's capability in existing and new areas of exploration.

Reflecting the Committee's recommendations, General Motors has initiated a program to substantially expand the Corporation's research staff including the areas of atmospheric and bio-medical research, the

behavioral sciences and transportation and urban planning. The initial phase of the expansion involves employment of key personnel whose technical expertise will be required in the definition and formulation of technical programs and in the establishment of new technical departments. The GM research staff now numbers more than 1,500 people. About 500 are professional researchers, while the others provide supporting services. Over the next five years, the number of professional researchers will be expanded by over 50%, and they will be provided with proper supporting staff and facilities.

Automotive Safety

In 1971, GM expended \$396 million for automotive safety engineering, research, reliability, inspection, testing, facilities and tools. A recent example of GM's continuing efforts in the safety area is the Experimental Safety Vehicle (ESV). The Corporation is building the ESV to U.S. Department of Transportation specifications as a public service for a contract price of \$1.

The Experimental Safety Vehicle, part of the Corporation's continuing vehicle safety research program, is primarily a test project for new safety concepts. The experimental vehicle being built by GM is a five-passenger four-door sedan. As defined in contract specifications prepared by the Department of Transportation, emphasis is upon occupant protection and accident-avoidance capability, with no consideration of the actual cost of production.

The GM design objective for the ESV's interior is to protect unbelted dummy occupants in 30 mph barrier impacts without deploying special safety devices, such as air cushions. In an attempt to attain the survivability requirements in 50 mph barrier impacts, air cushions will be used since they are the only experimental devices known at this time which approach the performance specifications established by the Department of Transportation for this vehicle.

In October 1971, GM publicly reported the first 50 mph barrier test results. During the crash, which was roughly equivalent to a vehicle crashing into a parked car at 100 mph, the ESV withstood the severity of the impact remarkably well. While its components remained intact despite crash distortion, no objective indication of the survivability of human occupants can yet be projected from the test. After additional testing and evaluation, two of the vehicles will be delivered to the Department of Transportation later this year.

While the ESV is highly successful in meeting its

design objectives, it is not a practical vehicle from either a cost or mass-production standpoint. It is hoped, however, that the knowledge gained in the design and production of the ESV will be of value in designing future production models.

General Motors is also continuing its efforts to develop occupant restraint systems that will meet increasingly stringent Federal safety standards for 1974 and 1976 model cars. The requirement for completely passive systems for 1976 models is likely to require expensive and complicated protective devices, such as the air cushion, with questionable improvement in safety over current belt restraints, when used. Methods need to be investigated to obtain greater use of the economical and proven belt restraint systems—perhaps even legislation to require their use.

The experimental air cushion being developed for possible future use is inflated in a fraction of a second when a sensor system sends out a crash signal at the moment of impact. One advantage of this system over conventional lap and shoulder belts is that it requires no action on the part of occupants. Because of the complexity of such a system, however, a number of problems are yet to be resolved. These include reliability over an extended period of time under a variety of accident situations.

A new seat belt system became standard on all GM cars manufactured after January 1, 1972, as required by the Department of Transportation. The system makes it possible to attach the shoulder belt easily to the lap belt, and provides a single point of release for the two. Also, if either the right front seat passenger or driver fails to buckle his lap belt when the gear shift is placed in the forward drive position, a buzzer sounds and a light on the instrument panel flashes the message "Fasten Belts" until both belts are fastened. It is hoped this will substantially increase the use of safety belts, which, when worn, have proven to be very effective in preventing serious injuries.

Repairability and Serviceability

GM introduced several innovations in bumper design on all regular-size 1972 cars. Besides greater impact strength, many models offer an optional rubber protective strip for added protection in light impact situations. In addition to these changes, General Motors has also improved the match of bumper heights on many 1972 models.

These improvements are transitional, however, and will lead to even better systems on 1973 cars. The



OLDSMOBILE Delta Royale Coupe

Federal standard for 1973 bumpers requires, as a minimum, 5 mph barrier impact protection at the front and 2½ mph impact protection at the rear, with no damage to safety-related components.

Additional programs to improve repairability were also under way during 1971, and are being continued. One involves parts not directly involved in a collision, but which are often damaged because of their location. Horns, batteries and air conditioning components are typical examples. By moving these parts to areas less vulnerable to impact, damage may, in many instances, be lessened.

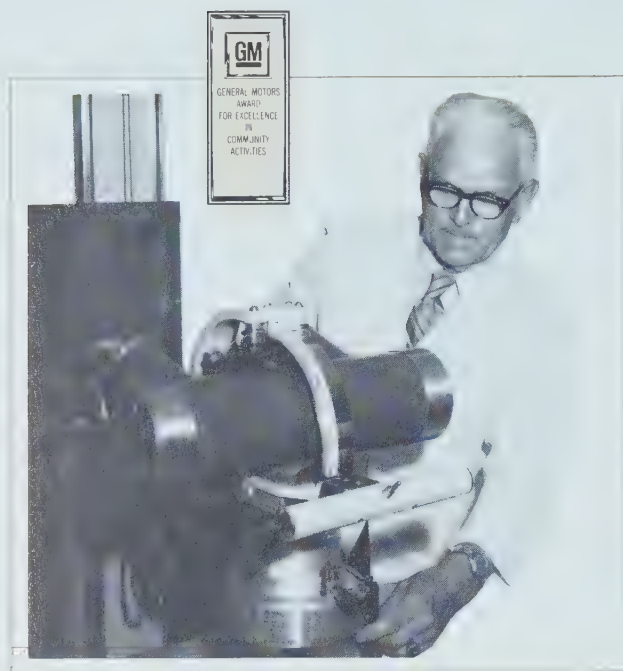
Another research group is working on the development and improvement of diagnostic and repair techniques, as well as equipment used in making repairs.

Automotive Air-Pollution Control

In addition to its vehicle safety activity, GM is busy

with another challenging task—removing its products from the air-pollution problem as soon as possible. The Corporation is investing heavily in this effort. During 1971, GM spent \$182 million in the U.S. to make emission controls more efficient and effective and to research and develop new emission-control systems. The task force working to control auto emissions and develop alternative power sources includes the equivalent of more than 3,000 scientists, engineers, technicians and supporting personnel.

Every General Motors automobile sold in the U.S. is now built with pollution controls for all major sources of gaseous emissions. These controls either substantially reduce or eliminate emissions of pollutants from the crankcase, exhaust gases from the tailpipe and gasoline vapors which evaporate and escape from the fuel system. As a result of such improvements, as well as controls installed by other automobile manu-



G. Edward Proux has over 35 years' service with GM, and presently works in the medical department of Chevrolet's Saginaw, Michigan, manufacturing plant. He is the holder of one of Scouting's highest awards, the Silver Beaver, and has served for 39 years as a volunteer first aid instructor for the American Red Cross.

facturers, the nationwide peak of both hydrocarbon and carbon monoxide emissions from cars has been passed, and the total output is declining steadily, despite an increasing number of vehicles in service. The peak in oxides of nitrogen emissions from cars will be passed sometime during 1972 or 1973.

GM's 1971 and 1972 cars have lower compression engines and a controlled-spark feature, both of which help reduce emissions of oxides of nitrogen. Although the control of this pollutant did not become mandatory until the 1971 model year—and then only in California—most 1970 GM models had a spark-control feature.

Current Federal law calls for extremely low levels of emissions beginning with 1975 models so that total automotive pollutants released into the atmosphere will be further reduced, despite an increasing car population in the years ahead. GM is devoting major efforts toward developing new techniques for achieving still lower emission levels. Although some of these laboratory techniques are capable of achieving very low emission levels, GM has not at this time found a practical system that is capable of meeting all of the

stringent 1975-76 requirements.

Due to the lack of sufficient technology to allow mass production of emission-control systems for 1975 models which would meet all the requirements of the Clean Air Act, as amended, GM requested a one-year suspension of these standards from the Environmental Protection Agency in January 1972. GM's application for this suspension was not granted, pending submission of additional supporting information, which the Corporation had stated it was assembling. This information will be submitted to the EPA at the earliest possible date.

Scientists are finding that transportation is responsible for a much smaller percentage of this nation's air-pollution problem than was once suspected, and this, coupled with the reductions that will be possible by new systems now under development, means that cars will no longer be a significant source of air pollution. In addition, as new cars replace older models, the automobile's role in air pollution will be even further minimized.

In an overall cost-benefit evaluation, it is important that the general public and government officials objectively view the automobile's role in the total air-pollution problem. Although the automobile is blamed for approximately 40% of the nation's air pollution on a tonnage basis, most experts now recognize that a more accurate measure should be based on the relative effects on health and plant life. The most recent information incorporating health and plant damage—together with tonnage—would show that the auto is more nearly 10% of the nation's problem. This varies from one urban area to another. This, of course, makes the question of cost-benefit even more critical.

GM scientists have been hard at work on alternative power plants. GM has two basic approaches to an alternative power source. One involves continuous combustion engines, such as gas turbine and steam. The second is the electric-drive, battery-powered car.

In addition, a passenger car gas turbine engine development group has been formed to consolidate responsibility for all automobile turbine engineering programs under one activity. Also, GM is proceeding with its investigation of the rotary combustion engine. This engine has the advantage of fewer moving parts and is smaller and lighter than a reciprocating engine of the same capacity.

Industrial-Pollution Control

To help control industrial pollution, GM has devel-



BUICK Electra 225 Custom Limited 4-Door Hardtop

oped equipment and instrumentation to identify pollution problem areas, and has undertaken "preventive" programs to eliminate from an industrial process or system those elements which cause pollution.

The three most critical sources of air pollution from GM operations are foundries, powerhouses and paint systems. Developments in high-energy Venturi scrubbers and baghouse collectors can virtually eliminate foundry-dust emissions. General Motors was among the first to use these devices, which can remove as much as 98% of the dust particles from cupola discharge in foundry operations.

A change in the basic foundry process can also minimize foundry air pollution. For example, at GM's Central Foundry Division in Saginaw, Michigan, new induction-melting furnaces are replacing older coke-fired cupolas. The new furnaces can produce an equivalent amount of molten iron with relatively little effluent. Induction furnaces were also installed as primary melters in the Division's new foundry at

Defiance, Ohio, which was completed in the fall of 1971.

Air pollution from powerhouse operations is being controlled at GM facilities by using electrostatic precipitators or mechanical dust collectors to control fly ash emission from coal-fired boilers.

Gaseous sulphur dioxide emissions from burning coal are being reduced at several prototype installations through the use of experimental techniques. One system can reduce emission of sulphur dioxide by up to 90%. This is important progress, because GM believes coal, which contains sulphur, must remain a basic fuel in most parts of the country for many years to come.

GM is reducing emissions from primer paint spray systems by employing at some plants a virtually hydrocarbon-free painting system known as electrodeposition, or ELPO. The system utilizes a dip process employing a water-based paint, rather than spraying on a solvent-based primer. This eliminates potential pollution problems and avoids the necessity of control devices, as well as providing increased vehicle quality.



Leo Howard is a utility spot welder at GM Assembly Division's Fremont, California, plant. Active in the San Jose Model Cities Program, he is also Chairman of the San Jose Homeowners Association, Vice President of Job and Job Training for the community and is a member of the Loans Development Corporation.

More than 100 waste-water and air-pollution treatment facilities have been constructed at GM plants in the United States. During 1971 alone, GM spent approximately \$55 million in the U.S. on the design and construction of additional pollution controls for its plants. This amount does not include the sizable cost of operating and maintaining present facilities or funds allocated for research into new industrial pollution-abatement systems.

While increasing concentrations of both people and industry in major metropolitan areas result in more pollution of all types, industrial pollution is not an inescapable price of progress. The problems of environmental control are immense, and effective solutions are costly. Nevertheless, General Motors believes that reasonable solutions to the problems of pollution can be found, and is encouraged by the progress already achieved.

Noise Control

Noise from our products and our plants is another concern at GM. Vehicle noise comes from several sources. The biggest single source from passenger cars is usually exhaust noise. After exhaust noises are

reduced, tires become the main noise source, particularly at freeway speeds. Generally, efforts to achieve noise reductions by changing the design of tire tread patterns can also affect safety, because many tread designs that reduce noise do not grip wet pavements as well as current designs.

GM is actively pursuing the subject of vehicle noise control and, at the same time, is acting to control unwanted and intrusive sound in and from its plants. This increased emphasis on noise abatement is resulting in a greater use of quieter tools, exhaust air silencers on machines, and even a new type of plant construction which "softens" noise.

Aid to Education and Charitable Contributions

General Motors is aware of its obligation to make reasonable contributions to charitable, educational and community organizations in areas where it operates as well as to some large national organizations. Generally, contributions other than for education are related to the size and employment of the Corporation's operations in each particular locality and are designed to benefit those communities. On a national level, the Corporation contributes to endeavors in which, as a leading industrial corporation, General Motors participation would be expected.

Contributions to charitable organizations in 1971 totaled \$8.1 million and reflected a trend toward support of programs aimed at solving many of the problems being encountered by major American cities. Nearly 90% of GM's charitable contributions is made locally to organizations such as community funds, hospitals and urban and minority-related groups in cities in which GM has operations.

GM's financial aid to education amounted to \$4.8 million in 1971. After discussions with educators, emphasis was redirected from the GM Scholarship Plan to other programs at the college level which will enable GM to assist education on a broader scope.

Nevertheless, 1,030 students attending colleges and universities in the United States today are benefiting from the General Motors Scholarship Plan.

Other programs include funding for cooperative education programs in minority colleges, a pilot Fellowship Program for selected individuals who have held General Motors scholarships as undergraduates, increased research and engineering grants to universities and technical institutions, increased contributions to major university fund campaigns and support of special education projects.

General Motors average worldwide employment in 1971 was approximately 773,000 and payrolls totaled \$8,015 million. In 1970, because of strikes in the United States and Canada, average worldwide employment was approximately 696,000 and payrolls totaled \$6,260 million. In 1969, GM employment averaged 794,000 and payrolls totaled \$6,928 million.

Average hourly employment in the United States in 1971 was 423,000 and payrolls totaled \$4,782 million. Wages for these men and women averaged \$5.57 per hour for an average workweek of 39.0 hours. This compares with \$5.06 per hour for an average workweek of 37.7 hours in 1970 and \$4.65 per hour for an average of 39.7 hours in 1969.

As shown in the accompanying chart, the average weekly wage of GM's hourly employees in the United States in 1971 was \$217.58, substantially above the average weekly earnings reported for all U.S. manufacturing employees by the Bureau of Labor Statistics. This does not include the cost of employee benefit programs, which have been significantly expanded over the years.

As a result of the GM-UAW Labor Agreement signed in 1970, hourly employee wage rate increases in the United States, ranging from 11 cents to 22 cents per hour, became effective November 22, 1971. Effective December 6, 1971, the cost-of-living allowance for these employees rose by 14 cents to a total of 19 cents per hour. Also, adjustments were made under the agreement to correct wage differentials at certain plants. The 1970 agreement also provided for improve-

ments in pension benefits, insurance benefits, more comprehensive hospital and medical expense benefits, increased financing of the Supplemental Unemployment Benefit Plan and additional vacation and holiday pay over a three-year period.

Eligible salaried employees in the United States received 3% salary increases, ranging from \$19 to \$58 per month, effective December 1, 1971. In addition, the cost-of-living allowance for eligible salaried employees was increased from \$25 to \$95 per quarter effective December 1, 1971.

Improvements were also made in 1971 in the Insurance Program, Retirement Program and Savings-Stock Purchase Program for salaried employees.

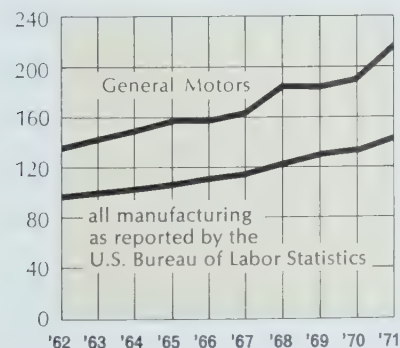
Equal Employment Opportunity

Today, GM is one of the largest private employers of minority Americans. Almost 89,000 minority employees, representing 15.1% of the Corporation's total U.S. employment, are employed in General Motors offices and plants throughout the United States. While total salaried employment has decreased almost 5,600 since 1965, the number of minority salaried employees has increased by over 3,700.

This progress in increased minority employment is the result of an affirmative General Motors policy to provide equal employment opportunity to all qualified applicants and employees regardless of an individual's race, religion, national origin or sex. In keeping with this affirmative policy of assuring equal opportunity, several personnel programs have been instituted

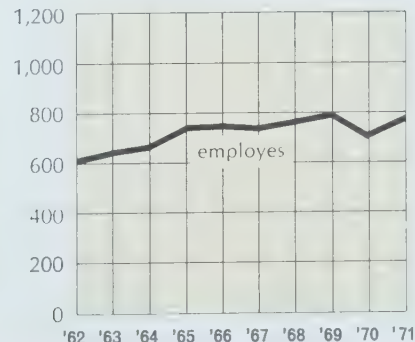
Average Weekly Earnings

Hourly Employees, U.S.
dollars



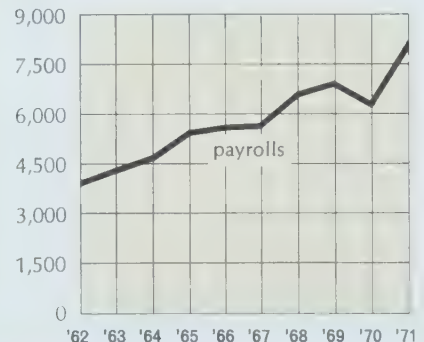
Worldwide Employment

thousands



Payrolls

millions of dollars





CHEVROLET Fleetside Pickup

GMC Astro 95 Tractor

throughout the Corporation.

In April 1968, for instance, GM divisions and plants throughout the United States began participating in the JOBS program of the National Alliance of Businessmen. This program is a nationwide effort to hire so-called hard-core unemployed. By the end of 1971, General Motors had hired 59,000 of these. Of this total, almost 21,000—or 35.6%—are still on the job.

General Motors also has a Corporation-wide management training activity that helps supervisors become more familiar with the special needs of minority employees and teaches them how to take positive action to speed the upward mobility of minorities. The skills of all employees are inventoried regularly to identify those capable of moving up to more responsible positions.

General Motors also aggressively recruits and advances women. As of December 31, 1971, GM employed nearly 75,000 women—1,600 of them in management, professional and technical capacities.

Other personnel programs include in-plant education in numerous subjects and programs to help those

employees who have not finished high school pass the General Education Development Test.

New Personnel Staff Alignment

To recognize the increased complexity of our business and the changed nature of today's work force, a new alignment of the Corporation's Personnel Staff has been effected. The Industrial Relations Staff has been organized to supervise labor relations, employee benefit plans, employment practices, security, industrial hygiene, health maintenance, and unemployment and workmen's compensation. The newly-formed Personnel Administration and Development Staff will be responsible for salaried personnel administration, employee research, corporation training programs, manpower development and utilization, college relations and General Motors Institute.

GM Benefit Programs

The General Motors benefit programs offer hourly and salaried employees help in planning for the future and in providing financial security for themselves and

their families. In 1971, GM contributed a record \$1.4 billion to these programs for employees in the U.S., a substantial increase over 1970.

Savings-Stock Purchase Program

All salaried employees in the United States and Canada with more than one year of service are eligible to participate in the GM Savings-Stock Purchase Program. An employee may save up to 10% of his base salary and cost-of-living allowance, and for each \$2 the employee saves, the Corporation contributes \$1—which is invested in GM common stock.

Of the amount saved by the employee, one-half is invested in Government obligations and the other half is invested in General Motors common stock. Participants have the benefit of GM's contributions, which help their savings accumulate more rapidly, and—through the purchase of GM common stock—they are building an ownership in GM. During 1971, changes were made to provide employees additional flexibility in utilizing the Program.

In 1971, 91% of eligible salaried employees in the U.S. saved an average of 8% of their salaries. There were 81,600 employees in the class of 1966 when it matured at the end of 1971. They received or were credited with GM common stock, Government securities and cash valued at approximately \$124 million, the equivalent of \$1.93 for each \$1 they had invested in the Program.

Educational Aid for GM Employees

A total of 16,000 hourly and salaried employees in the U.S. and Canada continued their education in 1971 through participation in the GM Tuition Refund Plan. Under this Plan, the Corporation reimburses employees in an amount up to \$500 each year for the satisfactory completion of approved courses related to their field of work in recognized educational institutions. In 1971, employees studying under the Plan were awarded 206 bachelor degrees and 179 graduate degrees. Refunds under the Plan and individual graduate fellowships granted to employees by the Corporation in 1971 totaled \$2.8 million.

General Motors Institute in Flint, Michigan, with an enrollment of more than 3,000 students, continues to provide an opportunity to earn degrees in engineering and industrial administration through a cooperative program. Students alternate periods of academic study and paid related work assignments at sponsoring GM divisions. In 1971, expenditures for GMI were \$9.9 million.



Jose Mora, employed by Central Foundry Division, organized and conducts a weekly program instructing young people in baseball and basketball. He was appointed to his local YMCA's Board of Directors in 1971, and is also captain of the Defiance, Ohio, Auxiliary Police Department.

As a result of several activities to increase minority enrollment at GMI, including active recruiting and financial assistance, there were 184 minority and 28 female students enrolled at GMI as of September 1, 1971. The Institute also conducts a wide range of part-time management and continuing education courses for employees of GM units.

Incentive Program

The Incentive Program consists of the Bonus Plan and Stock Option Plan. The Bonus and Salary Committee has not yet determined the number of participants who may be awarded bonuses or granted stock options related to the year 1971. The computation of the maximum amount which may be awarded or granted under these Plans is shown on page 36.

The By-Laws of the Corporation provide that the



Illustrated here are a Frigidaire 20-cubic-foot Custom Imperial side-by-side refrigerator-freezer, Custom Imperial undercounter dishwasher and Twin 30 range. Pictured at right are Frigidaire's Custom Imperial washer and dryer.



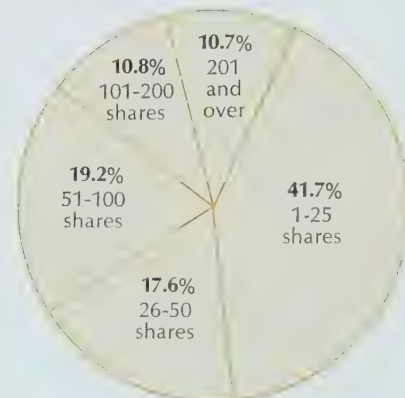
Bonus Plan and Stock Option Plan shall be presented to the stockholders for action at least once every five years. In accordance with this requirement, these Plans will be submitted to the stockholders for their consideration at the Annual Meeting on May 19, 1972.

General Motors Stockholders

The ownership of General Motors was divided among 1,315,000 stockholders at the end of 1971. They come from every state of the United States, from each of the Canadian provinces and territories and from more than 80 other countries.

Of the preferred and common stockholders, 68% are individual accounts, 20% joint tenant accounts and 12% institutions and groups, such as colleges, pension funds and insurance companies. Of GM's owners, 42% own 25 shares or less, and 79% own 100 shares or less.

Common and Preferred Stockholders by Size of Holdings



Effective January 1, 1972, James M. Roche, Chairman of the Board of Directors and Chief Executive Officer since November 1, 1967, retired under the provisions of the General Motors Retirement Program. Mr. Roche, who was also Chairman of the Executive Committee and a member of the Finance and Administration Committees, will continue to provide his valuable counsel as a member of the Board of Directors and the Finance Committee.

Mr. Roche first joined General Motors in 1927, at the age of 21, as a statistician at Cadillac Motor Car Division's Sales and Service Branch in Chicago. In the next 30 years he rose through the executive ranks at Cadillac serving as Personnel Director, which included Public Relations, and General Sales Manager. On January 1, 1957, Mr. Roche was named General Manager of Cadillac and elected a Vice President of General Motors.

On June 1, 1960, he was designated Vice President in charge of the Distribution Staff—now the Marketing Staff. Mr. Roche was elected a member of the Board of Directors and an Executive Vice President with jurisdiction over the Dayton, Household Appliance and Engine Group and the Overseas and Canadian Group on September 1, 1962. He was elected President of General Motors on June 1, 1965.

Richard C. Gerstenberg was elected to succeed Mr. Roche as Chairman of the Board of Directors and Chief Executive Officer effective January 1, 1972. Mr. Gerstenberg had been Vice Chairman of the Board of Directors since April 6, 1970. He is continuing as Chairman of the Finance Committee and as a member of the Executive and Administration Committees.

Mr. Gerstenberg began his career with General Motors in 1932 as a timekeeper with the Frigidaire Division, was transferred to the Fisher Body Division in 1934 and to the Corporation's Central Office in 1936. He was named Assistant Comptroller in 1949 and in 1956 became Treasurer of the Corporation. In 1960, Mr. Gerstenberg was elected Vice President—Finance. He was elected Executive Vice President in charge of Finance, a member of the Board of Directors and a member of the Finance, Executive and Administration Committees in 1967.

Edward N. Cole, President and Chief Operating Officer since 1967, was given the additional responsi-

bility of Chairman of the Executive Committee. Mr. Cole is continuing as a Director, member of the Finance Committee and as Chairman of the Administration Committee.

Mr. Cole joined GM in 1930 in the Cadillac engineering department. He was appointed Chief Design Engineer on the Cadillac Tank Program in 1943 and Chief Engineer for the Cadillac Division in 1946. In 1952, he was made Chief Engineer for the Chevrolet Motor Division and in 1956 he was named General Manager of that Division and elected a Vice President of General Motors. Mr. Cole was elected a Director of General Motors in 1961 and appointed Group Executive in charge of the Car and Truck Group. In 1965, he was elected Executive Vice President with responsibility for the Operations Staff activities.

Thomas A. Murphy was elected a Director and Vice Chairman of the Board of Directors, succeeding Mr. Gerstenberg, and a member of the Finance and Executive Committees. He has responsibility for the financial affairs of the Corporation and its overseas operations. Mr. Murphy had been Vice President and Group Executive in charge of the Car and Truck Group since March 2, 1970. In addition, he is continuing as a member of the Administration Committee.

Mr. Murphy joined General Motors as a member of the Comptroller's Staff in Detroit in 1938. He was transferred to the Financial Staff in New York where he held various positions until 1959 when he was appointed Assistant Treasurer. Mr. Murphy was elected Comptroller of the Corporation in 1967 and Treasurer in 1968.

Membership of the Executive Committee, the chief operating committee of General Motors, is composed of Messrs. Edward N. Cole, the Chairman; Richard C. Gerstenberg; Thomas A. Murphy; Oscar A. Lundin (a member of the Board of Directors and the Finance Committee), Executive Vice President in charge of Finance who has responsibility over the Financial Staff, the Public Relations Staff, the Industry-Government Relations Staff and, in addition, general jurisdiction over GM's finance and insurance subsidiaries; and Harold G. Warner (a member of the Board of Directors), Executive Vice President in charge of the Operations Staff.

Other executive personnel changes are included on page 41.

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

STATEMENT OF CONSOLIDATED INCOME

for the years ended December 31, 1971 and 1970

	<u>Year 1971</u>	<u>Year 1970</u>
NET SALES	\$28,263,918,443	\$18,752,353,515
Equity in earnings of nonconsolidated subsidiaries (dividends and interest received amounted to \$50,681,261 in 1971 and \$46,516,204 in 1970) ..	100,641,084	70,398,820
Other income less sundry income deductions (net deduction in 1971) . . .	(36,441,991)	57,062,408
TOTAL	<u>28,328,117,536</u>	<u>18,879,814,743</u>
 LESS		
Cost of sales and other operating charges, exclusive of items listed below	21,620,860,324	15,595,574,963
Selling, general, and administrative expenses	1,106,778,977	991,264,843
Depreciation and obsolescence of real estate, plants, and equipment . . .	873,102,334	821,490,330
Amortization of special tools	917,566,408	677,297,759
Provision for Bonus Plan and Stock Option Plan	90,000,000	—
United States, foreign, and other income taxes provided	<u>1,784,100,000</u>	<u>185,100,000</u>
TOTAL	<u>26,392,408,043</u>	<u>18,270,727,895</u>
 NET INCOME for the year	1,935,709,493	609,086,848
Dividends on preferred stocks	<u>12,928,272</u>	<u>12,928,273</u>
AMOUNT EARNED ON COMMON STOCK	<u>\$ 1,922,781,221</u>	<u>\$ 596,158,575</u>
 Average number of shares of common stock outstanding during the year	286,006,615	285,527,167
AMOUNT EARNED PER SHARE OF COMMON STOCK	<u>\$6.72</u>	<u>\$2.09</u>

Reference should be made to notes on pages 33 through 35.

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

STATEMENT OF CONSOLIDATED NET INCOME
RETAINED FOR USE IN THE BUSINESS

for the years ended December 31, 1971 and 1970

	Year 1971	Year 1970
NET INCOME RETAINED FOR USE IN THE BUSINESS (earned surplus)		
at beginning of the year	\$ 8,325,858,233	\$8,700,727,009
NET INCOME for the year	<u>1,935,709,493</u>	<u>609,086,848</u>
TOTAL	<u>10,261,567,726</u>	<u>9,309,813,857</u>
CASH DIVIDENDS		
Preferred stock—\$5.00 series	9,178,220	9,178,220
Preferred stock—\$3.75 series	<u>3,750,052</u>	<u>3,750,053</u>
Total preferred dividends	<u>12,928,272</u>	<u>12,928,273</u>
Common stock:		
Mar. 10 (\$0.85 per share)	243,117,731	242,800,232
June 10 (\$0.85 per share)	243,156,612	242,828,366
Sept. 10 (\$0.85 per share)	243,113,491	242,713,600
Dec. 10 (\$0.85 per share)	<u>243,055,842</u>	<u>242,685,153</u>
Total common dividends (\$3.40 per share)	<u>972,443,676</u>	<u>971,027,351</u>
TOTAL CASH DIVIDENDS	<u>985,371,948</u>	<u>983,955,624</u>
NET INCOME RETAINED FOR USE IN THE BUSINESS (earned surplus)		
at end of the year	<u>\$ 9,276,195,778</u>	<u>\$8,325,858,233</u>

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

STATEMENT OF CONSOLIDATED CAPITAL SURPLUS

for the years ended December 31, 1971 and 1970

	Year 1971	Year 1970
CAPITAL SURPLUS at beginning of the year	\$ 765,037,691	\$ 764,323,456
PAID-IN CAPITAL in excess of par value of newly issued common stock sold under the provisions of the General Motors Stock Option Plan (18,101 shares in 1971 and 12,914 shares in 1970)	891,921	714,235
INCREASE in carrying value of treasury common stock revalued in accordance with the provisions of the Bonus Plan (8,838 shares in 1971)	<u>207,035</u>	<u>—</u>
CAPITAL SURPLUS at end of the year	<u>\$ 766,136,647</u>	<u>\$ 765,037,691</u>

Reference should be made to notes on pages 33 through 35.

GENERAL MOTORS CORPORATION

CONSOLIDATED

December 31,

ASSETS

	<u>Dec. 31, 1971</u>	<u>Dec. 31, 1970</u>
CURRENT ASSETS		
Cash	\$ 329,663,675	\$ 323,243,635
United States and other government securities and time deposits—at cost, which approximates market:		
Held for payment of income taxes	1,366,041,228	—
Other	1,621,281,482	70,854,903
Accounts and notes receivable (less allowances)	2,724,213,647	1,725,665,981
Inventories—at the lower of cost (substantially first-in, first-out or average) or market	3,991,569,173	4,115,060,497
Prepaid expenses and deferred charges	478,797,038	257,123,779
TOTAL CURRENT ASSETS	10,511,566,243	6,491,948,795
INVESTMENTS AND MISCELLANEOUS ASSETS		
Investments in nonconsolidated subsidiaries—at equity in net assets	1,025,199,275	984,436,185
United States Government securities—at cost	34,079,000	40,290,721
Other investments and miscellaneous assets—generally at cost (less allowances)	311,920,851	88,397,028
TOTAL INVESTMENTS AND MISCELLANEOUS ASSETS	1,371,199,126	1,113,123,934
COMMON STOCK IN TREASURY —Available for Bonus Plan and Stock Option Plan (1971—1,379,100 shares; 1970—1,529,045 shares)	104,609,873	116,349,156
REAL ESTATE, PLANTS, AND EQUIPMENT		
Real estate, plants, and equipment—at cost	14,242,155,542	13,545,894,076
Less accumulated depreciation and obsolescence	8,734,764,033	8,132,437,359
Balance	5,507,391,509	5,413,456,717
Special tools—at cost less amortization	696,379,317	982,382,946
TOTAL REAL ESTATE, PLANTS, AND EQUIPMENT	6,203,770,826	6,395,839,663
GOODWILL —Less amortization	50,753,972	57,098,219
TOTAL ASSETS	\$18,241,900,040	\$14,174,359,767

Reference should be made to notes on pages 33 through 35.

and Consolidated Subsidiaries

BALANCE SHEET

1971 and 1970

LIABILITIES, RESERVES, AND STOCKHOLDERS' EQUITY

	Dec. 31, 1971	Dec. 31, 1970
CURRENT LIABILITIES		
Accounts, drafts, and loans payable	\$ 2,206,310,295	\$ 1,659,892,993
United States, foreign, and other income taxes payable	1,735,829,334	213,758,157
Other taxes, payrolls, and sundry accrued items	2,035,807,249	1,347,474,604
Dividends payable on preferred stocks	3,232,068	3,232,068
TOTAL CURRENT LIABILITIES	5,981,178,946	3,224,357,822
3¼% DEBENTURES DUE 1979 (less reacquired debentures in treasury: 1971—\$113,353,000; 1970—\$122,528,000)	34,079,000	35,522,000
LONG-TERM DEBT OF SUBSIDIARIES DUE 1973-2000	581,538,040	245,700,700
OTHER LIABILITIES	419,634,687	419,805,762
RESERVES AND DEFERRED CREDITS		
Deferred investment tax credit	151,732,000	153,758,000
Contingent credits under Stock Option Plan	23,663,338	29,955,964
General reserve applicable to foreign operations	141,667,396	141,667,396
Other (principally unrealized intercompany profits)	103,169,341	69,821,501
TOTAL RESERVES AND DEFERRED CREDITS	420,232,075	395,202,861
STOCKHOLDERS' EQUITY		
Capital stock:		
Preferred, without par value (authorized, 6,000,000 shares):		
\$5.00 series, stated value \$100 per share, redeemable at \$120 per share (issued, 1,875,366 shares; in treasury, 39,722 shares; outstanding, 1,835,644 shares)	183,564,400	183,564,400
\$3.75 series, stated value \$100 per share, redeemable at \$100 per share (issued and outstanding, 1,000,000 shares)	100,000,000	100,000,000
Common, \$1½ par value (authorized, 500,000,000 shares; issued, 287,604,280 shares at December 31, 1971 and 287,586,179 shares at December 31, 1970)	479,340,467	479,310,298
Total capital stock	762,904,867	762,874,698
Capital surplus (principally additional paid-in capital)	766,136,647	765,037,691
Net income retained for use in the business (earned surplus)	9,276,195,778	8,325,858,233
TOTAL STOCKHOLDERS' EQUITY	10,805,237,292	9,853,770,622
TOTAL LIABILITIES, RESERVES, AND STOCKHOLDERS' EQUITY ..	\$18,241,900,040	\$14,174,359,767

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

STATEMENT OF CONSOLIDATED CHANGES IN FINANCIAL POSITION

for the years ended December 31, 1971 and 1970

Source of Funds	Year 1971	Year 1970
Net income	\$1,935,709,493	\$ 609,086,848
Depreciation and obsolescence of real estate, plants, and equipment	873,102,334	821,490,330
Amortization of special tools	917,566,408	677,297,759
Undistributed earnings of nonconsolidated subsidiaries, deferred income taxes, etc. — net	(164,609,583)	(42,687,893)
Total current operations	3,561,768,652	2,065,187,044
Disposals and retirements of property	57,382,512	32,908,519
Increase (Decrease) in long-term debt of subsidiaries	335,837,340	(34,763,100)
Proceeds from sale of newly issued common stock	922,090	735,758
Total	3,955,910,594	2,064,068,221
 Application of Funds		
Dividends paid to stockholders	985,371,948	983,955,624
Expenditures for real estate, plants, and equipment	1,012,968,050	1,134,164,761
Expenditures for special tools	630,702,160	1,148,594,457
Investments in nonconsolidated subsidiaries	(9,196,733)	28,302,233
Other — net	73,268,845	50,351,158
Total	2,693,114,270	3,345,368,233
Increase (Decrease) in net working capital during the year	1,262,796,324	(1,281,300,012)
Net working capital at beginning of the year	3,267,590,973	4,548,890,985
Net working capital at end of the year	\$4,530,387,297	\$3,267,590,973
 Increase (Decrease) in Net Working Capital by Element		
Cash, government securities, and time deposits	\$2,922,887,847	(\$1,430,312,010)
Accounts and notes receivable	998,547,666	(387,006,343)
Inventories	(123,491,324)	354,534,807
Prepaid expenses and deferred charges	221,673,259	60,277,295
Accounts, drafts, and loans payable	(546,417,302)	(155,463,163)
United States, foreign, and other income taxes payable	(1,522,071,177)	433,270,973
Other taxes, payrolls, and sundry accrued items	(688,332,645)	(156,601,571)
Increase (Decrease) in net working capital during the year	\$1,262,796,324	(\$1,281,300,012)

Reference should be made to notes on pages 33 through 35.

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

NOTES TO FINANCIAL STATEMENTS

Principles of Consolidation

The consolidated financial statements include the accounts of the Corporation and all subsidiary companies, domestic and foreign, which are engaged in manufacturing or wholesale marketing operations. Subsidiary companies not included in the consolidated statements are described on page 34. Earnings or losses of nonconsolidated subsidiaries are included in consolidated income currently; accordingly, consolidation of these subsidiaries would have no effect on consolidated net income or stockholders' equity, as reported. Provisions are made, where applicable, for estimated taxes on dividends which may be paid from undistributed profits of subsidiaries.

Foreign assets, liabilities and reserves generally are translated into United States dollars at year-end exchange rates, except that real estate, plants, and equipment and accumulated depreciation and obsolescence are translated at exchange rates in effect at the dates of acquisition of the related assets. Accumulated unrealized net loss arising from translation of foreign currency accounts of any foreign subsidiary is charged to income and accumulated unrealized net gain is deferred; this practice had no material effect on consolidated income.

Foreign Operations

Net assets, net sales and net earnings from sources outside the United States and Canada, included in the consolidated financial statements, are summarized below. Earnings are after exchange revaluations and provisions for estimated taxes on dividends which may be paid from undistributed profits and on this basis in 1971, include earnings (loss) of the major overseas manufacturing subsidiaries, as follows: Adam Opel AG, \$77 million; General Motors Holden's Pty. Limited, \$29

million; and Vauxhall Motors Limited, (\$6 million).

The general reserve applicable to foreign operations of \$141,667,396, established at the end of 1954, is available to absorb extraordinary losses such as losses from discontinuing foreign operations in any locality, either voluntarily or because of conditions beyond the Corporation's control. There has been no change in this reserve since its establishment.

Sundry Income Deductions

Sundry income deductions amounted to \$137,424,529 in 1971 compared with \$58,660,790 in 1970 and included interest and discount on 3¼% Debentures of \$854,298 and \$898,683 and other interest and related charges of \$54,805,625 and \$51,539,766, respectively, for those years.

United States, Foreign, and Other Income Taxes Provided

Income taxes for 1971 and 1970 consisted of:

	1971	1970
	(In Millions)	
Taxes estimated to be payable currently	\$1,933	\$265
Investment tax credit:		
Deferred	30	20
Amortized	(32)	(29)
Deferred taxes	(147)	(71)
Total provision	<u>\$1,784</u>	<u>\$185</u>

Investment tax credits allowed under the Internal Revenue Code are deducted in determining taxes estimated to be payable currently and are deferred for amortization over the lives of the related assets.

Net Assets Outside the United States and Canada

	December 31, 1971				December 31, 1970
	Western Europe	United Kingdom, Australia, New Zealand and South Africa	Other, Principally Mexico and South America	Total	Total
	(In Millions)				
Assets:					
Total current assets	\$ 551	\$ 651	\$ 277	\$1,479	\$1,301
Net real estate, plants, and equipment	547	410	118	1,075	999
Other assets	35	19	55	109	64
Total assets	<u>1,133</u>	<u>1,080</u>	<u>450</u>	<u>2,663</u>	<u>2,364</u>
Liabilities:					
Bank borrowings and notes payable	106	213	61	380	349
Other current liabilities	262	255	97	614	606
Total current liabilities	368	468	158	994	955
Long-term debt of subsidiaries	295	52	19	366	246
Other liabilities and reserves	115	62	29	206	173
Total liabilities	<u>778</u>	<u>582</u>	<u>206</u>	<u>1,566</u>	<u>1,374</u>
Balance	<u>\$ 355</u>	<u>\$ 498</u>	<u>\$ 244</u>	<u>1,097</u>	<u>990</u>
Less General Reserve Applicable to Foreign Operations				142	142
Net Assets Outside the United States and Canada				<u>\$ 955</u>	<u>\$ 848</u>
Net Sales Outside the United States and Canada				<u>\$4,112</u>	<u>\$3,652</u>
Net Earnings From Sources Outside the United States and Canada				<u>\$ 103</u>	<u>\$ 118</u>

GENERAL MOTORS CORPORATION and Consolidated Subsidiaries

NOTES TO FINANCIAL STATEMENTS (continued)

Income Taxes Provided (continued)

Taxes provided for 1970 were unusually low in relation to income before income taxes due to several factors which have a greater impact in a year of lower earnings. First, income includes equity in the earnings of nonconsolidated subsidiaries such as General Motors Acceptance Corporation, the taxes for which are provided in the accounts of the subsidiaries and are not in the tax provision of the Corporation. Second, the amortization of investment tax credits reduces the tax provision. Third, as stated in the annual report for 1968, when the Corporation adopted the principle of comprehensive income tax allocation as a result of Accounting Principles Board Opinion No. 11, the tax reductions for certain expenses charged to income prior to 1968 are recognized for financial accounting purposes at the time the deductions are realized for tax purposes. Portions of these pre-1968 expenses became allowable tax deductions in 1970; since the related tax benefits for these expenses had not been recorded previously, the result was a relatively substantial decrease in the total provision required for income taxes in 1970.

Accounts and Notes Receivable

Accounts and notes receivable included \$1,102,348,920 at December 31, 1971 and \$130,791,216 at December 31, 1970 from General Motors Acceptance Corporation relating to current wholesale financing of sales of the Corporation's products.

Inventories

Physical inventories were taken at all locations during 1971 and 1970.

Investments in Nonconsolidated Subsidiaries

Investments in nonconsolidated subsidiaries at December 31, 1971 consisted of General Motors Acceptance Corporation and its subsidiaries (finance and insurance companies, see page 37), \$899,611,570; dealerships operating under dealership assistance plans (retail companies), \$119,737,191; and other domestic and foreign subsidiaries, \$5,850,514.

Common Stock in Treasury

During 1971, the Corporation acquired for employee plans 513,253 shares of common stock for \$41,696,163.

Also during 1971, the Corporation (1) delivered to Incentive Program participants an aggregate of 325,996 shares (including instalment deliveries on January 7, 1972 which were recorded as of December 31, 1971) acquired in prior years and carried at \$26,093,128, and (2) for several months sold monthly to trustees of the Savings-Stock Purchase Program, at prices equal to the average daily closing market price on the New York Stock Exchange during the month, an aggregate of 337,202 shares carried at \$27,342,318. During 1971 the sale of shares to the trustees of the Savings-Stock Purchase Program was discontinued with the trustees obtaining their subsequent requirements in the open market.

Common stock in treasury at December 31, 1971 included (1) 396,708 shares (\$32,140,893) held for instalment deliveries

of bonus awards related to prior years and contingent credits related to terminated stock options, (2) 303,159 shares (\$23,663,338) available for contingent credits related to outstanding stock options, and (3) 679,233 shares (\$48,805,642), available for future bonus awards and contingent credits.

Properties and Depreciation Policy

Real estate, plants, and equipment consisted of:

	1971	1970
	(In Millions)	
Land, buildings and improvements..	\$ 4,347	\$ 4,100
Machinery, equipment and furniture.	9,512	9,038
Construction in progress	383	408
Total	<u>\$14,242</u>	<u>\$13,546</u>

Depreciation is generally computed for accounting purposes by use of accelerated methods which accumulate depreciation of approximately two-thirds of the depreciable cost during the first half of the estimated lives of the property.

Special Tools

Expenditures for special tools are amortized over short periods of time because the utility value of the tools is radically affected by frequent changes in the design of the functional components and styling of the product. Replacement of special tools, for reasons other than changes in products, is charged directly to cost of sales.

Goodwill

Goodwill relates to businesses acquired in 1943 and prior years and, beginning in 1970, is being amortized over a period of ten years at a rate of \$6,344,247 per year.

Long-Term Debt

Under the sinking fund provisions of the trust indenture for the 3¼% Debentures due 1979, cash payments of \$10,000,000 are required in each year through 1977 or, in lieu thereof, the Corporation may deliver reacquired debentures to the sinking fund agent. At December 31, 1971, the Corporation had satisfied the sinking fund requirements to date by the delivery of debentures and held in its treasury sufficient debentures to satisfy the remaining requirements.

Long-term debt of subsidiaries, payable in the currencies indicated, consisted of the following:

Currency	Due	1971	1970
		(In Millions of U.S. dollars)	
German marks	1973-77	\$156	\$138
U.S. dollars	1973-2000	191	5
Canadian dollars	1976	100	—
Swiss francs	1976	51	—
British pounds	1977-92	51	48
French francs	1973-78	13	28
Belgian francs	1973-77	15	21
Other currencies	1973-84	5	6
Total		<u>\$582</u>	<u>\$246</u>

NOTES TO FINANCIAL STATEMENTS (concluded)

Incentive Program

For the year 1971, the Bonus and Salary Committee directed a credit to the Reserve for Bonus Plan and Stock Option Plan of \$90,000,000 (\$49,367,035 less than the maximum permitted under the Bonus Plan formula as set forth on page 36) and has tentatively determined that the total of individual awards shall approximate the amount credited to the reserve in 1971. As a result, \$90,000,000 was transferred to current liabilities and other liabilities.

Other liabilities at December 31, 1971 included undelivered instalments of bonus awards and contingent credits of \$108,382,315.

The Consolidated Balance Sheet at December 31, 1971 gives effect to the payment of \$25,141,053 and the delivery of 325,558 shares of common stock, valued at \$26,058,191, on January 7, 1972, representing instalments of prior years bonus awards earned out during 1971 and the instalments of contingent credits applicable to terminated stock options.

Changes during 1971 in the status of options granted under the Stock Option Plan were:

Year Grant- ed	Option Price*	Shares Under Option				
		Jan. 1, 1971	Changes During Year			Dec. 31, 1971
			Granted	Exer- cised	Termi- nated	
1961	\$45.44	11,573	—	11,330	243	—
1962	56.82	36,145	—	3,798	2,589	29,758
1963	63.25	90,272	—	2,454	9,275	78,543
1966	97.38	134,595	—	—	134,595	—
1967	73.19	164,760	—	—	13,035	151,725
1968	74.50	196,647	—	—	11,478	185,169
1969	78.07	231,897	—	—	14,445	217,452
1970	69.82	253,899	—	519	6,534	246,846
	Total	1,119,788	—	18,101	192,194	909,493

*The option prices are 100% of the average of the highest and lowest sales prices on the New York Stock Exchange on the dates the options were granted.

The Corporation intends to deliver newly issued stock upon the exercise of any of the outstanding options. The maximum number of shares for which additional options might be granted

under the Plan was 2,117,379 shares at January 1, 1971 and 2,309,573 shares at December 31, 1971.

Earnings per Share

Earnings per share of common stock are based on the average number of shares outstanding during each year. The effect on earnings per share resulting from the assumed exercise of outstanding options and delivery of bonus awards and contingent credits under the Incentive Program is not material.

Pension Program

The Corporation and its domestic and foreign subsidiaries have several pension plans covering substantially all of their employees. In 1971, the plans in the United States and Canada were amended to provide for substantially increased benefits. The total pension expense of the Corporation and its consolidated subsidiaries amounted to \$584 million in 1971 and \$329 million in 1970. These costs were determined on the basis of actuarial cost methods and include amortization of prior service cost over periods not exceeding 30 years. With the exception of certain overseas subsidiaries, it is the Corporation's policy to fund pension costs accrued.

The actuarially computed value of vested benefits for all plans as of December 31, 1971 exceeded the total of the pension funds, at market, and balance sheet accruals by about \$700 million.

Contingent Liabilities

There are various claims and pending actions against the Corporation and its consolidated subsidiaries in respect of taxes, product liability, alleged patent infringements, warranties, alleged air pollution, and other matters arising out of the conduct of the business of the Corporation. Certain of these actions purport to be class actions, seeking damages in very large amounts. The amounts of the Corporation's liability on these claims and actions at December 31, 1971 were not determinable but, in the opinion of the management, the ultimate liability resulting will not materially affect the consolidated financial position or results of operations of the Corporation and its consolidated subsidiaries.

CERTIFICATION OF FINANCIAL STATEMENTS

HASKINS & SELLS
CERTIFIED PUBLIC ACCOUNTANTSTWO BROADWAY
NEW YORK 10004

FEBRUARY 15, 1972

GENERAL MOTORS CORPORATION, ITS DIRECTORS AND STOCKHOLDERS:

We have examined the Consolidated Balance Sheet of General Motors Corporation and consolidated subsidiaries as of December 31, 1971 and 1970 and the related Statements of Consolidated Income, Consolidated Net Income Retained for Use in the Business, Consolidated Capital Surplus, and Consolidated Changes in Financial Position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the companies at December 31, 1971 and 1970 and the results of their operations and the changes in their financial position for the years then ended, in conformity with generally accepted accounting principles consistently applied.



PENSION FUNDS HELD BY TRUSTEES IN THE UNITED STATES
Under the Hourly-Rate Pension Plan and the Trusteed
Part of the Retirement Program for Salaried Employees

Funds at December 31, 1970—with securities valued at cost	\$2,709,728,542
Additions during 1971	
Payments by General Motors into trusts	\$543,034,000
Interest and dividends received	133,206,125
Net profits realized on sales of securities	13,625,350
Net additions before pension payments	689,865,475
Pension payments during 1971	249,349,139
Funds at December 31, 1971—with securities valued at cost	<u>\$3,150,244,878</u>

NOTE: Payments by General Motors into trusts include an estimated \$346 million attributable to prior service benefits provided under the original plan and by subsequent amendments. The cost of these prior service benefits is being amortized over 30 year periods from the dates the benefits were provided. The funds in these trusts include amounts applicable to non-consolidated subsidiaries and are held for payment of pension benefits and are not the property of the Corporation or any of its subsidiaries.

INCENTIVE PROGRAM

The Incentive Program consists of the General Motors Bonus Plan, first approved by stockholders in 1918, and the General Motors Stock Option Plan, adopted in 1957. The By-Laws provide that the Plans shall be presented for action at a stockholders' meeting at least once in every five years. Both Plans were last approved by the stockholders at the 1967 Annual Meeting and will be submitted to the stockholders at the Annual Meeting to be held on May 19, 1972.

The Corporation maintains a reserve for purposes of the Bonus Plan and the Stock Option Plan, to which may be credited each year an amount which the independent public

accountants of the Corporation determine to be 12% of the net earnings which exceed 6% but not 15% of net capital, plus 6% of the net earnings which exceed 15% of net capital, but not in excess of the amount paid out as dividends on the common stock during the year. However, for any year the Bonus and Salary Committee may direct that a lesser amount be credited.

Bonus awards under the Bonus Plan, contingent credits under the Stock Option Plan, and such other amounts arising out of the operation of the Incentive Program as the Committee may determine are charged to the reserve.

Maximum Amount which may be Credited to the Reserve As Determined by the Independent Public Accountants:

Computation of net capital:

Amounts at December 31, 1970 as shown on the Consolidated Balance Sheet, page 31:

Total Capital Stock and Surplus.....	\$9,853,770,622
Debt—3¼% Debentures due 1979.....	35,522,000
Total.....	<u>9,889,292,622</u>

Add proportionate allowance for net increase during the year in capital stock, surplus and debt:

Increase arising from sales of 18,101 shares of newly issued common stock under the provisions of the Stock Option Plan.....	\$ 796,044
Decrease arising from purchase of 3¼% Debentures in the principal amount of \$1,443,000.....	735,984
Net capital (as defined in the Bonus Plan).....	<u>\$9,889,352,682</u>

Computation of net earnings for determination of credit:

Amount reported in the Statement of Consolidated Income (page 28) which is transferred to earned surplus as shown by the Statement of Consolidated Net Income Retained for Use in the Business (page 29).....

Add amounts charged to income:	
Provision for Bonus Plan and Stock Option Plan.....	90,000,000
Interest and discount on 3¼% Debentures.....	854,298
Total.....	<u>2,026,563,791</u>

Deduct amounts credited to income:

Portions of prior years' bonus awards to which bonus beneficiaries lost their rights during the year.....	\$ 148,683
Reduction in contingent credits resulting from exercise of stock options and from loss of rights under the Stock Option Plan during the year.....	311,771
Net earnings (as defined in the Bonus Plan).....	<u>2,026,103,337</u>

Deduct 6% on net capital (equivalent to \$2.03 per share of common stock).....

Portion of net earnings upon which the maximum credit to the reserve is computed:	
Net earnings between 6% and 15% of net capital.....	\$890,041,742
Net earnings which exceed 15% of net capital.....	542,700,434
	<u>\$1,432,742,176</u>

Maximum amount which may be credited to the reserve:

12% of the net earnings between 6% and 15% of net capital.....	\$106,805,009
6% of the net earnings which exceed 15% of net capital.....	32,562,026
	<u>\$ 139,367,035</u>

Amount Available for Bonus Awards and Contingent Credits:

Credit to the reserve as directed by the Bonus and Salary Committee.....	\$ 90,000,000
Add unawarded balance in reserve carried forward from 1970	1,135,637
Total amount available in the reserve for awards under the Bonus Plan and for contingent credits under the Stock Option Plan.....	<u>\$ 91,135,637</u>

Provisions for Bonus Plan and Stock Option Plan

There are shown below the provisions for the Bonus Plan and the Stock Option Plan before giving effect to the resulting reductions in income taxes.

1962.....	\$105,000,000	1964.....	\$116,000,000	1966.....	\$114,000,000	1968.....	\$111,000,000	1970.....	—
1963.....	112,000,000	1965.....	130,000,000	1967.....	107,000,000	1969.....	110,000,000	1971.....	\$90,000,000

GENERAL MOTORS ACCEPTANCE CORPORATION

and Consolidated Subsidiaries

CONDENSED CONSOLIDATED BALANCE SHEET

December 31, 1971 and 1970

ASSETS	December 31, December 31,	
	1971	1970
CASH	\$ 176,365,465	\$ 201,818,694
MARKETABLE SECURITIES—Short term—at cost	—	13,000,000
NOTES AND ACCOUNTS RECEIVABLE (including instalments maturing after one year: 1971—\$3,712,337,396; 1970—\$3,142,091,857; less unearned income: 1971—\$619,606,477; 1970—\$556,260,389; and reserves for losses: 1971—\$108,145,586; 1970—\$92,225,032)	10,761,135,663	8,476,637,318
INVESTMENT IN MOTORS INSURANCE CORPORATION (wholly-owned nonconsolidated sub- sidiary carried at equity in net assets as shown by its books)	56,082,801	41,906,428
UNAMORTIZED DEBT EXPENSE	15,949,574	12,901,462
OTHER ASSETS	38,995,107	25,797,424
TOTAL ASSETS	\$11,048,528,610	\$8,772,061,326
LIABILITIES, RESERVES, AND STOCKHOLDER'S EQUITY		
NOTES, LOANS, AND DEBENTURES PAYABLE WITHIN ONE YEAR (less unamortized discount: 1971—\$12,048,236; 1970—\$14,966,245)	\$ 4,838,346,235	\$4,042,738,025
ACCOUNTS PAYABLE, ACCRUED LIABILITIES, AND RESERVES		
General Motors Corporation and affiliated companies	1,104,956,367	132,247,211
Dealers	109,832,699	104,143,908
United States and foreign income and other taxes	34,506,265	24,797,770
Interest	68,451,789	63,311,925
Other	31,858,275	24,579,230
TOTAL ACCOUNTS PAYABLE, ACCRUED LIABILITIES, AND RESERVES	1,349,605,395	349,080,044
NOTES, LOANS, AND DEBENTURES PAYABLE AFTER ONE YEAR (maturing prior to 1995 — less unamortized discount: 1971—\$9,418,880; 1970—\$6,238,758)	3,265,965,410	2,979,408,879
SUBORDINATED INDEBTEDNESS (maturing prior to 1992)	695,000,000	545,000,000
STOCKHOLDER'S EQUITY		
Preferred stock, \$100 par value (authorized and outstanding, 1,100,000 shares):		
6% cumulative	75,000,000	75,000,000
7¼% cumulative	35,000,000	35,000,000
Common stock, \$100 par value (authorized and outstanding, 3,650,000 shares)	365,000,000	365,000,000
Net income retained for use in the business:	Year 1971	Year 1970
Balance at beginning of the year	\$380,834,378	\$354,638,257
Net income for the year	88,814,692	68,233,621
Total	469,649,070	422,871,878
Cash dividends	45,037,500	42,037,500
Balance at end of the year	424,611,570	380,834,378
TOTAL STOCKHOLDER'S EQUITY	899,611,570	855,834,378
TOTAL LIABILITIES, RESERVES, AND STOCKHOLDER'S EQUITY	\$11,048,528,610	\$8,772,061,326

The above condensed balance sheet has been summarized from the financial statements appearing in the Annual Report of General Motors Acceptance Corporation as to which an unqualified opinion has been expressed by Haskins & Sells, independent public accountants.

STATISTICAL

Year	Net Sales	Net Income	Net Income as % of Sales	Dividends on Preferred Stocks	Amount Earned on Common Stock		Dividends on Common Stock		Dividends on Preferred and Common Stocks as % of Net Income
					Total	Per Share*	Total	Per Share*	
1952	\$ 7,549,154,419	\$ 558,721,179	7.4%	\$12,928,313	\$ 545,792,866	\$2.08	\$ 349,041,039	\$1.33	64.8%
1953	10,027,985,482	598,119,478	6.0	12,928,312	585,191,166	2.24	348,760,514	1.33	60.5
1954	9,823,526,291	805,973,897	8.2	12,928,309	793,045,588	3.03	436,507,196	1.67	55.8
1955	12,443,277,420	1,189,477,082	9.6	12,928,305	1,176,548,777	4.30	592,245,497	2.17	50.9
1956	10,796,442,575	847,396,102	7.8	12,928,302	834,467,800	3.02	552,853,282	2.00	66.8
1957	10,989,813,178	843,592,435	7.7	12,928,300	830,664,135	2.99	555,453,812	2.00	67.4
1958	9,521,965,629	633,628,076	6.7	12,928,298	620,699,778	2.22	558,940,800	2.00	90.3
1959	11,233,057,200	873,100,149	7.8	12,928,296	860,171,853	3.06	561,838,126	2.00	65.8
1960	12,735,999,681	959,042,489	7.5	12,928,293	946,114,196	3.35	564,190,599	2.00	60.2
1961	11,395,916,826	892,821,444	7.8	12,928,292	879,893,152	3.11	707,383,013	2.50	80.7
1962	14,640,240,799	1,459,077,450	10.0	12,928,290	1,446,149,160	5.10	850,465,125	3.00	59.2
1963	16,494,818,184	1,591,823,058	9.7	12,928,288	1,578,894,770	5.56	1,135,809,405	4.00	72.2
1964	16,997,044,468	1,734,781,555	10.2	12,928,286	1,721,853,269	6.05	1,266,306,261	4.45	73.7
1965	20,733,982,295	2,125,606,440	10.3	12,928,282	2,112,678,158	7.41	1,496,812,657	5.25	71.0
1966	20,208,505,041	1,793,391,691	8.9	12,928,278	1,780,463,413	6.24	1,298,106,848	4.55	73.1
1967	20,026,252,468	1,627,276,076	8.1	12,928,276	1,614,347,800	5.66	1,084,355,349	3.80	67.4
1968	22,755,402,947	1,731,914,777	7.6	12,928,273	1,718,986,504	6.02	1,227,446,007	4.30	71.6
1969	24,295,141,357	1,710,695,164	7.0	12,928,272	1,697,766,892	5.95	1,227,429,173	4.30	72.5
1970	18,752,353,515	609,086,848	3.2	12,928,273	596,158,575	2.09	971,027,351	3.40	161.5
1971	28,263,918,443	1,935,709,493	6.8	12,928,272	1,922,781,221	6.72	972,443,676	3.40	50.9

Factory Sales of Cars and

Cars and Trucks Manufactured in the United States

Year	PASSENGER CARS						TRUCKS AND COACHES			TOTAL United States
	Buick	Cadillac	Chevrolet	Oldsmobile	Pontiac	TOTAL	Chevrolet	GMC	TOTAL	
1962	416,087	159,014	2,158,958	458,045	545,884	3,737,988	396,123	88,712	484,835	4,222,823
1963	480,082	164,651	2,302,458	504,853	625,688	4,077,732	482,769	101,189	583,958	4,661,690
1964	484,137	154,991	2,118,647	511,848	693,743	3,963,366	524,501	110,123	634,624	4,597,990
1965	651,792	196,420	2,585,014	649,530	858,915	4,941,671	618,944	135,865	754,809	5,696,480
1966	582,098	205,009	2,201,882	594,906	864,797	4,448,692	620,322	126,370	746,692	5,195,384
1967	575,001	212,576	1,919,687	553,993	858,448	4,119,705	548,219	130,720	678,939	4,798,644
1968	649,789	211,389	2,144,622	636,594	938,921	4,581,315	679,771	149,234	829,005	5,410,320
1969	713,894	266,489	2,002,074	668,108	774,707	4,425,272	684,452	149,928	834,380	5,259,652
1970	460,721	152,696	1,499,537	440,230	424,056	2,977,240	491,954	121,870	613,824	3,591,064
1971	751,865	277,465	2,324,099	775,137	728,551	4,857,117	738,208	171,813	910,021	5,767,138

and Consolidated Subsidiaries

SUMMARY

Net Income Retained for Use in the Business		Expenditures for Plant and Equipment (Excluding Special Tools)	Worldwide		At December 31			Year
Total	Per Share*		Payrolls	Average Number of Employees	Common and Preferred Stockholders		Net Working Capital	
					Number	Equity		
96,751,827	\$.75	\$ 343,064,482	\$2,062,103,065	490,749	487,624	\$ 2,727,152,338	\$1,330,028,880	1952
236,430,652	.91	500,909,068	2,676,044,049	585,602	494,632	2,982,531,816	1,290,420,661	1953
356,538,392	1.36	754,650,239	2,610,195,006	576,667	487,639	3,339,070,208	1,398,626,917	1954
84,303,280	2.13	608,121,546	3,127,145,514	624,011	565,408	4,255,055,724	2,088,174,944	1955
81,614,518	1.02	890,526,891	2,895,768,446	599,243	656,076	4,581,590,189	1,790,015,894	1956
75,210,323	.99	473,888,927	2,954,775,530	588,160	717,746	4,905,107,782	1,921,938,045	1957
61,758,978	.22	269,382,628	2,688,379,697	520,925	750,731	5,016,839,689	2,157,328,893	1958
98,333,727	1.06	319,940,202	3,083,759,866	557,218	786,744	5,371,011,318	2,624,108,800	1959
81,923,597	1.35	525,972,182	3,487,092,528	595,151	830,873	5,814,660,789	2,864,720,152	1960
72,510,139	.61	503,224,903	3,238,818,071	552,984	867,052	6,025,655,017	3,131,304,503	1961
95,684,035	2.10	645,113,381	3,894,873,691	604,718	1,059,225	6,650,971,621	3,610,075,503	1962
43,085,365	1.56	647,221,971	4,312,751,823	640,073	1,068,151	7,121,011,941	3,808,888,182	1963
55,547,008	1.60	929,588,476	4,592,481,476	660,977	1,186,885	7,599,015,311	3,739,647,071	1964
15,865,501	2.16	1,321,980,238	5,448,342,843	734,594	1,310,278	8,237,278,347	3,786,500,505	1965
82,356,565	1.69	1,188,054,246	5,559,741,677	745,425	1,417,955	8,726,102,975	3,709,147,192	1966
29,992,451	1.86	912,629,617	5,634,191,663	728,198	1,399,113	9,261,152,666	4,113,679,525	1967
91,540,497	1.72	860,189,501	6,540,142,678	757,231	1,371,795	9,756,809,763	4,390,235,128	1968
70,337,719	1.65	1,043,841,860	6,928,279,079	793,924	1,362,721	10,227,903,640	4,548,890,985	1969
74,868,776	(1.31)	1,134,164,761	6,259,840,549	695,796	1,357,604	9,853,770,622	3,267,590,973	1970
50,337,545	3.32	1,012,968,050	8,015,071,514	773,352	1,315,171	10,805,237,292	4,530,387,297	1971

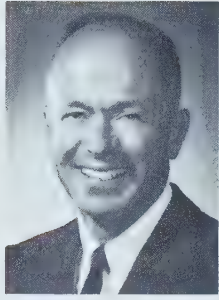
*In terms of present \$1⅓ par value common stock

Trucks, including export shipments

Cars and Trucks Manufactured Outside the United States						TOTAL Canada and Overseas	TOTAL SALES ALL SOURCES	Year
CANADIAN PLANTS	OVERSEAS PLANTS							
	Australia	England	Germany	All Other	Total			
68,624	133,325	215,974	378,878	18,977	747,154	1,015,778	5,238,601	1962
707,651	166,118	248,227	574,796	15,768	1,004,909	1,312,560	5,974,250	1963
293,367	170,212	342,873	678,278	31,758	1,223,121	1,516,488	6,114,478	1964
118,527	151,514	330,983	636,503	44,124	1,163,124	1,581,651	7,278,131	1965
356,407	154,584	275,383	653,421	82,159	1,165,547	1,521,954	6,717,338	1966
85,827	145,067	290,706	560,239	90,869	1,086,881	1,472,708	6,271,352	1967
123,579	168,363	329,047	654,584	101,021	1,253,015	1,676,594	7,086,914	1968
601,134	174,476	285,574	802,463	136,227	1,398,740	1,899,874	7,159,526	1969
290,927	189,565	269,797	807,074	160,066	1,426,502	1,717,429	5,308,493	1970
108,665	187,469	331,186	824,354	160,413*	1,503,422	2,012,087	7,779,225	1971

*In 1971, includes 30,477 units for Argentina, 82,432 units for Brazil, 30,190 units for Mexico and 17,314 units for South Africa

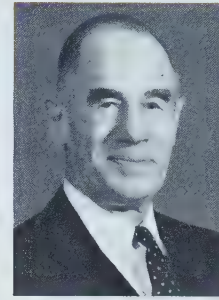
GENERAL MOTORS CORPORATION BOARD OF DIRECTORS



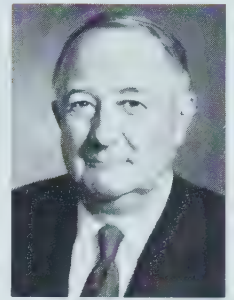
STEPHEN D. BECHTEL, JR.
Director—2 Years



EUGENE N. BEESLEY
Director—7 Years



LLOYD D. BRACE
Director—12 Years



ALBERT BRADLEY
Director—38 Years



HARLEE BRANCH, JR.
Director—7 Years



EDWARD N. COLE
President;
chief operating officer
Service—41 Years
Director—10 Years



JOHN T. CONNOR
Director—6 Years



FREDERIC G. DONNER
Director—30 Years



RICHARD C. GERSTENBERG
Chairman of the
Board of Directors;
chief executive officer
Service—40 Years
Director—4 Years



JOHN F. GORDON
Director—21 Years



JAMES R. KILLIAN, JR.
Director—12 Years



OSCAR A. LUNDIN
Executive Vice President
Service—38 Years
Director—2 Years



JOHN A. MAYER
Director—3 Years



J. WESLEY McAFEE
Director—9 Years



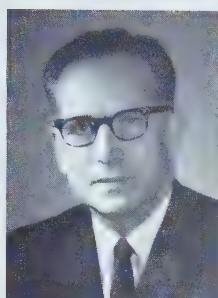
W. EARLE McLAUGHLIN
Director—5 Years



HOWARD J. MORGENS
Director—9 Years



CHARLES S. MOTT
Director—54 Years (1)



THOMAS A. MURPHY
Vice Chairman
of the Board of Directors
Service—34 Years
Joined Board in 1972



THOMAS L. PERKINS
Director—7 Years



JAMES M. ROCHE
Director—9 Years



GEORGE RUSSELL
Director—16 Years



GERALD A. SAVAGE
Director—2 Years



LEON H. SULLIVAN
Director—1 Year



HAROLD G. WARNER
Executive Vice President
Service—44 Years
Director—4 Years

(1) Charles S. Mott was a director of General Motors Company, the predecessor of General Motors Corporation, from 1913 to 1917.

OTHER EXECUTIVE PERSONNEL CHANGES —Continued from page 27

REUBEN R. JENSEN, Vice President and Group Executive, formerly in charge of Nonautomotive and Defense Group, succeeded Thomas A. Murphy as Vice President and Group Executive in charge of Car and Truck Group.

ROGER B. SMITH, formerly Treasurer and elected Vice President in charge of Financial Staff in March 1971, succeeded Reuben R. Jensen as Vice President and Group Executive in charge of Nonautomotive and Defense Group.

JOHN D. BAKER, formerly Manager of Operations, Fisher Body Division, succeeded Roland S. Withers as President, General Manager and Chief Executive Officer of General Motors of Canada Limited; elected Vice President of General Motors Corporation.

STEPHEN H. FULLER, formerly Professor, Harvard Business School, elected Vice President in charge of Personnel Administration and Development Staff, an area of responsibility formerly under jurisdiction of Earl R. Bramblett, now retired.

ROBERT F. MAGILL, formerly Executive in charge of Industry-Government Relations Staff, elected Vice President in charge of that activity.

GEORGE B. MORRIS, JR., formerly Director of Labor Relations, elected Vice President in charge of Industrial Relations Staff, an area of responsibility formerly under jurisdiction of Earl R. Bramblett, now retired.

ERNEST S. STARKMAN, formerly Professor of Mechanical Engineering, Thermal Systems Division, University of California, elected Vice President in charge of Environmental Activities Staff.

HENRY W. WELCH, formerly Comptroller, succeeded Roger B. Smith as Vice President in charge of Financial Staff.

FRANK J. WINCHELL, formerly Special Assistant to the President for Engineering Product, succeeded Lowell A. Kintigh, now retired, as Vice President in charge of Engineering Staff.

ROLAND S. WITHERS, formerly President, General Manager and Chief Executive Officer of General Motors of Canada Limited, transferred to General Motors Corporation as Vice President on special assignment.

DAVID C. COLLIER, formerly General Assistant Treasurer, succeeded Roger B. Smith as Treasurer.

ARCHIE M. LONG, formerly Assistant Comptroller, succeeded Henry W. Welch as Comptroller.

VICE PRESIDENTS AND STAFF OFFICERS

E. M. ESTES, Group Vice President,
Overseas Operations
Service—37 years

R. L. TERRELL, Group Vice President,
Car and Truck and Body and Assembly
Service—32 years

W. E. WILSON, Group Vice President,
Automotive Components and
Nonautomotive and Defense
Service—34 years

R. R. JENSEN, Group Executive,
Car and Truck
Service—26 years

F. O. RILEY, Group Executive,
Automotive Components
Service—36 years

K. N. SCOTT, Group Executive,
Body and Assembly
Service—36 years

R. B. SMITH, Group Executive,
Nonautomotive and Defense
Service—22 years

L. H. BRIDENSTINE, Associate General
Counsel
Service—35 years

P. F. CHENEA, Research Laboratories
Service—4 years

R. W. DECKER, Manufacturing Staff
Service—30 years

A. G. De LORENZO, Public Relations
Staff
Service—23 years

*S. H. FULLER, Personnel Administration
and Development Staff

R. F. MAGILL, Industry-Government
Relations Staff
Service—17 years

R. L. MALONE, General Counsel
Service—4 years

W. L. MITCHELL, Styling Staff
Service—32 years

G. B. MORRIS, JR., Industrial Relations
Staff
Service—31 years

C. J. SCANLON, Pension Fund
Investment Coordinator
Service—2 years

E. S. STARKMAN, Environmental
Activities Staff
Service—1 year

H. W. WELCH, Financial Staff
Service—38 years

F. J. WINCHELL, Engineering Staff
Service—32 years

R. S. WITHERS, Special Assignment
Service—38 years

M. W. WORDEN, Marketing Staff
Service—26 years

D. C. COLLIER, Treasurer
Service—14 years

A. M. LONG, Comptroller
Service—21 years

G. W. COOMBE, JR., Secretary
Service—19 years

*Effective November 1, 1971

GENERAL MANAGERS

Operating Divisions and Subsidiaries

CAR, TRUCK, BODY AND ASSEMBLY DIVISIONS

BUICK MOTOR DIVISION

Flint, Michigan

L. N. MAYES, General Manager
Service—36 years

Buick passenger cars; U.S. distribu-
tion of Opel passenger cars

CADILLAC MOTOR CAR DIVISION

Detroit, Michigan

G. R. ELGES, General Manager
Service—30 years

Cadillac passenger cars

CHEVROLET MOTOR DIVISION

Detroit, Michigan (Manufacturing or
assembly operations in 13 cities)

J. Z. DeLOREAN, General Manager
Service—15 years

Chevrolet passenger cars and trucks

FISHER BODY DIVISION

Warren, Michigan (Plants in 22 cities)

R. L. KESSLER, General Manager
Service—36 years

Trim, metal and hardware fabricating
and assembly of Fisher bodies

GM ASSEMBLY DIVISION

Warren, Michigan (Plants in 18 cities)

J. E. GODFREY, General Manager
Service—35 years

Assembly of Chevrolet, Pontiac, Olds-
mobile, Buick and Cadillac passenger
cars and Chevrolet and GMC trucks

GMC TRUCK & COACH DIVISION

Pontiac, Michigan

M. J. CASERIO, General Manager
Service—34 years

GMC trucks and buses

GENERAL MOTORS PARTS DIVISION

Flint, Michigan

L. G. KALUSH, General Manager
Service—24 years

Distribution of parts for Chevrolet,
Pontiac, Oldsmobile, Buick, Opel and
Cadillac passenger cars and Chevrolet
trucks through warehouses in forty-
four locations

OLDSMOBILE DIVISION

Lansing, Michigan

J. B. BELTZ, General Manager
Service—25 years

Oldsmobile passenger cars

PONTIAC MOTOR DIVISION

Pontiac, Michigan

F. J. McDONALD, General Manager
Service—31 years

Pontiac passenger cars

AUTOMOTIVE COMPONENTS DIVISIONS

AC SPARK PLUG DIVISION

Flint, Michigan

G. W. CHESTNUT, General Manager
Service—38 years

Spark plugs; oil filters; instrument
panels; fuel pumps; fuel filters; air
cleaners; positive crankcase ventila-
tion valves; cruise control systems

CENTRAL FOUNDRY DIVISION

Saginaw, Michigan (Plants in 4 cities)

E. E. BRAUN, General Manager
Service—42 years

Grey iron; malleable iron; ArmaSteel;
nodular iron; aluminum and heat re-
sistant alloy castings

DELCO ELECTRONICS DIVISION

Kokomo, Indiana (Plants in 2 cities)

H. G. RIGGS, General Manager
Service—43 years

Auto radios; tape players; heater-air
conditioning controls; semiconductor
devices; integrated circuits; analog
and digital systems; military electron-
ics; inertial navigation and control
systems and components

DELCO MORaine DIVISION

Dayton, Ohio

N. L. GEBHART, General Manager
Service—46 years

Automotive brake systems; engine
bearings; powdered metal products;
automatic transmission components

DELCO-REMY DIVISION

Anderson, Indiana (Plants in 5 cities)

P. W. HOUSE, General Manager
Service—39 years

Starting, generating and ignition
systems; switches; vacuum controls;
batteries for passenger cars, trucks,
buses, farm tractors and off-highway
equipment

GUIDE LAMP DIVISION

Anderson, Indiana

C. W. DOBOS, General Manager
Service—37 years

Car, truck and tractor lamps; lighting
controls; mirrors; finished die cast-
ings; molded plastic parts; stampings

HARRISON RADIATOR DIVISION

Lockport, New York (Plants in 2 cities)

L. A. ZWICKER, General Manager
Service—42 years

Car and truck radiators, defrosters, heaters, thermostats and air conditioners; heat exchangers

HYDRA-MATIC DIVISION

Ypsilanti, Michigan

J. S. GARLIC, General Manager
Service—45 years

Hydra-matic automatic transmissions for cars, trucks, and military vehicles

INLAND DIVISION

Dayton, Ohio

T. O. MATHUES, General Manager
Service—31 years

Weatherstrips; instrument panel pads; steering wheels; urethane seat pads; suspension ball joints; brake lining and hoses; flexible exterior trim; ice trays; engine and transmission mounts; air-conditioning hose

NEW DEPARTURE-HYATT BEARINGS DIVISION

Sandusky, Ohio (Plants in 3 cities)

P. B. ZEIGLER, General Manager
Service—31 years

Ball, cylindrical, tapered and needle package bearings for automotive, aircraft and industrial uses; railroad journal boxes; sprag and roller clutches; transmission parts

PACKARD ELECTRIC DIVISION

Warren, Ohio

B. T. OLSON, General Manager
Service—38 years

Automotive, appliance, marine and farm equipment wiring systems and components; fiber optics; magnet wire

ROCHESTER PRODUCTS DIVISION

Rochester, New York

J. R. WILSON, JR., General Manager
Service—29 years

Carburetors; diverter valves; emission control devices; steel tubing; cigarette lighters; locks; keys

SAGINAW STEERING GEAR DIVISION

Saginaw, Michigan

E. M. IVEY, JR., General Manager
Service—31 years

Power, manual steering; anti-theft, energy-absorbing steering columns; driver-adjustable steering; air pumps; front-drive axles; steering linkages; suspension units; prop shafts; ball-bearing actuators

UNITED DELCO DIVISION

Detroit, Michigan

W. M. WALKER, JR., General Manager
Service—28 years

Distribution of automotive service parts and equipment

NONAUTOMOTIVE AND DEFENSE DIVISIONS**DELCO PRODUCTS DIVISION**

Dayton, Ohio (Plants in 2 cities)

E. P. CZAPOR, General Manager
Service—24 years

Shock absorbers; electric motors and generators; hydraulic and electric controls, actuators, windshield wiper systems; automotive suspension units

DETROIT DIESEL ALLISON DIVISION

Detroit, Michigan (Plants in 2 cities)

J. E. KNOTT, General Manager
Service—31 years

Diesel engines and heavy-duty transmissions for trucks, construction, lumbering, mining and petroleum equipment plus marine and industrial applications; gas turbines for military and commercial aircraft and stationary applications; industrial gas turbines for generator sets, construction equipment, plus marine and transportation applications; locomotive parts; precision bearings

DIESEL EQUIPMENT DIVISION

Grand Rapids, Michigan

A. F. DAVIS, General Manager
Service—42 years

Fuel injectors; hydraulic and mechanical valve lifters; jet fuel nozzles; cold formed precision parts

ELECTRO-MOTIVE DIVISION

La Grange, Illinois (Plants in 2 cities)

B. B. BROWNELL, General Manager
Service—36 years

Diesel locomotives; utility power generating plants; large marine and industrial diesel engines

TEREX DIVISION

Hudson, Ohio (Plants in 2 cities)

P. K. HOGLUND, General Manager
Service—22 years

TEREX crawler tractors, scrapers, front-end loaders

HOUSEHOLD APPLIANCE DIVISION**FRIGIDAIRE DIVISION**

Dayton, Ohio

H. W. CAMPBELL, General Manager
Service—38 years

Refrigerators; freezers; washers; dryers; ranges; dishwashers; food waste disposers; automobile air conditioner compressors and room air conditioners; commercial ice cube makers; commercial washers

FINANCE AND INSURANCE UNITS**GENERAL MOTORS ACCEPTANCE CORPORATION**

New York, New York

J. O. ZIMMERMAN, President
Service—38 years

Wholesale and retail financing for dealers in GM passenger cars, trucks, buses and earthmoving equipment, and other GM products in the U.S., Canada and overseas

MOTORS INSURANCE CORPORATION

New York, New York

F. A. MINGLE, President
Service—37 years

Fire, theft, comprehensive and collision insurance for passenger cars and trucks in the U.S. and Canada

MOTORS HOLDING DIVISION

Detroit, Michigan

WILLIAM HARVEY III, General Manager
Service—23 years

Capital financing for retail dealers and distributors of GM products

OVERSEAS AND CANADIAN UNITS**GENERAL MOTORS OVERSEAS OPERATIONS DIVISION**

New York, New York

H. W. GAGE, General Manager
Service—38 years

Manufacture, assembly and distribution of GM products outside the U.S. and Canada

GENERAL MOTORS OF CANADA LIMITED

Oshawa, Ontario (Plants in 6 cities)

R. SAMUEL McLAUGHLIN**, Chairman of the Board
Service—85 years**J. D. BAKER**, President, General Manager and Chief Executive Officer
Service—31 years

Manufacture, assembly and distribution of GM cars, trucks, service parts and accessories; diesel locomotives; diesel engines; power generating plants; buses; TEREX products

OTHER UNITS**Argonaut Realty Division**
General Motors Institute**General Motors Proving Grounds**
General Motors Technical Center
General Motors Training Centers

**Deceased January 6, 1972

GENERAL MOTORS OVERSEAS OPERATIONS

MAJOR CAR AND TRUCK MANUFACTURING OPERATIONS

ADAM OPEL AG

Ruesselsheim am Main, Federal Republic of Germany (Plants in 3 cities)

A. A. CUNNINGHAM, Managing Director
Service—24 years

Design and manufacture of Opel Kadett, Ascona, Manta, GT, Rekord, Commodore, Admiral and Diplomat passenger cars, light commercial vehicles

GENERAL MOTORS-HOLDEN'S PTY. LIMITED

Melbourne, Australia (Plants in 7 cities)

A. G. GIBBS, Managing Director
Service—38 years

Design and Manufacture of Holden Torana, Monaro, Premier, Kingswood, Belmont and Statesman passenger cars, Holden light commercial vehicles; assembly of imported vehicles; import of GM products

VAUXHALL MOTORS LIMITED

Luton, England (Plants in 3 cities)

A. D. RHEA, Managing Director
Service—24 years

Design and manufacture of Vauxhall Viva, Firenza, Victor, Ventora, VX 4/90, Cresta and Viscount passenger cars, Bedford commercial vehicles

OTHER OPERATIONS

EUROPE

GENERAL MOTORS AUSTRIA GES.M.B.H.

Vienna, Austria

Import of GM products

GENERAL MOTORS CONTINENTAL

Antwerp, Belgium;
Rotterdam, Netherlands

Assembly of imported vehicles;
import of GM products

GENERAL MOTORS DEUTSCHLAND GMBH

Wiesbaden, Federal Republic of Germany

Import of GM products

GENERAL MOTORS FRANCE

Gennevilliers (Seine), France

Manufacture of automotive components; import of GM products

GENERAL MOTORS GMBH

Berlin, Federal Republic of Germany

Manufacture of engine bearings

GENERAL MOTORS INTERNATIONAL A/S

Copenhagen, Denmark

Assembly of imported vehicles;
import of GM products

GENERAL MOTORS ITALIA S.P.A.

Rome, Italy

Import of GM products

GENERAL MOTORS LUXEMBOURG S.A.

Bascharage, Luxembourg

Manufacture of TEREX off-highway earthmoving equipment

GENERAL MOTORS DE PORTUGAL, LIMITADA

Lisbon and Azambuja, Portugal

Assembly of imported vehicles;
import of GM products

GENERAL MOTORS LIMITED

Dunstable, England (Plants in 5 cities)

Manufacture of Frigidaire products and automotive components; import of GM products

GENERAL MOTORS NORDISKA A.B.

Stockholm, Sweden

Import of GM products

GENERAL MOTORS (NORWAY) A/S

Lillestrom (Oslo), Norway

Import of GM products

GENERAL MOTORS SCOTLAND LIMITED

Motherwell, Scotland

(Plants in 2 cities)

Manufacture of TEREX off-highway earthmoving equipment

GENERAL MOTORS STRASBOURG S.A.

Strasbourg, France

Manufacture of automatic transmissions

GENERAL MOTORS SUISSE S.A.

Bienne, Switzerland

Assembly of imported vehicles;
import of GM products

SUOMEN GENERAL MOTORS OY.

Helsinki, Finland

Import of GM products

AFRICA

GENERAL MOTORS SOUTH AFRICAN (PTY.) LIMITED

Port Elizabeth, Republic of South Africa

Manufacture of Ranger, Chevrolet and Opel passenger cars; assembly of imported vehicles; import of GM products

ASIA

GENERAL MOTORS MALAYSIA S.B.

Johore Bahru, Malaysia

Assembly of imported vehicles

LATIN AMERICA

GENERAL MOTORS ARGENTINA S.A.

San Martin (Buenos Aires), Argentina

(Plants in 2 cities)

Manufacture of Chevrolet passenger cars and Chevrolet commercial vehicles; import of GM products

GENERAL MOTORS DO BRASIL S.A.

Sao Caetano do Sul (Sao Paulo), Brazil
(Plants in 2 cities)

Manufacture of Chevrolet Opala passenger cars, Chevrolet commercial vehicles and Frigidaire products; import of GM products

GENERAL MOTORS DE MEXICO, S.A. DE C.V.

Mexico City, Mexico

(Plants in 2 cities)

Manufacture of Chevrolet and Opel passenger cars and Chevrolet commercial vehicles; import of GM products

GENERAL MOTORS URUGUAYA S.A.

Montevideo, Uruguay

Assembly of imported vehicles;
import of GM products

GENERAL MOTORS DE VENEZUELA, C.A.

Caracas, Venezuela

Assembly of imported vehicles;
import of GM products

NEW ZEALAND

GENERAL MOTORS

NEW ZEALAND LIMITED

Wellington, New Zealand

Assembly of imported vehicles;
manufacture of Frigidaire products;
import of GM products

UNITED STATES

GENERAL MOTORS OVERSEAS

DISTRIBUTION CORPORATION

New York, New York

Distribution of GM products in all overseas territories not served by plants or warehouses

GMAC has operations in 17 countries outside the United States and Canada



VAUXHALL VICTOR Estate Car



OPEL REKORD II Coupe



HOLDEN MONARO GTS

GENERAL MOTORS CORPORATION
DETROIT, MICHIGAN 48202



Every GM car is now built with pollution controls for all major sources of gaseous emissions, and the effectiveness of these controls is selectively tested at facilities such as the one at Cadillac Motor Car Division shown here. These controls either substantially reduce or eliminate pollutant emissions from the crankcase vent, in the exhaust gases from the tailpipe, and in the gasoline vapors evaporating from the fuel system. In addition, 1971 and 1972 model GM cars have lower compression engines and a controlled spark feature, both of which reduce emissions of oxides of nitrogen. As a result of these controls, as well as those installed by other auto manufacturers, the nationwide peak of both hydrocarbon and carbon monoxide emissions in the atmosphere has been passed, and the total output is diminishing steadily.



AR34

GM

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file

**information
handbook**

from GENERAL MOTORS CORPORATION

1970

FOREWORD

The 1970 Information Handbook, 17th annual edition, has been prepared by the Public Relations Staff to provide current data on General Motors. It is designed as a ready reference for writers, editors and commentators. We hope the book will serve as a convenient source for facts about GM's operations, its organization, and its products.

Anthony De Lorenzo
Vice-President

DIRECTORY

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DIRECTORY

OFFICERS

JAMES M. ROCHE

Chairman of the Board of Directors and Chief Executive Officer

RICHARD C. GERSTENBERG
Vice Chairman
of the Board of Directors

EDWARD N. COLE
President
and Chief Operating Officer

Executive Vice Presidents

ROGER M. KYES
Special Assignments
Office of the President

OSCAR A. LUNDIN
Finance

HAROLD G. WARNER
Operations Staff

Group Vice Presidents

ELLIOTT M. ESTES
Overseas Group

RICHARD L. TERRELL
Car and Truck, Body
and Assembly Divisions
Group

WALLACE E. WILSON
Automotive Components
and Non-Automotive and
Defense Group

Vice Presidents

JOHN B. BELTZ
EARL R. BRAMBLETT

General Manager—Oldsmobile Division
Executive Assistant to the Vice President in charge of
Personnel Staff

LOUIS H. BRIDENSTINE
BOYD B. BROWNELL
HAROLD W. CAMPBELL
MARTIN J. CASERIO
PAUL F. CHENEA
ROBERT W. DECKER
JOHN Z. DELOREAN
ANTHONY G. DE LORENZO
GEORGE R. ELGES
HARLOW W. GAGE
JOSEPH E. GODFREY
REUBEN R. JENSEN
ROBERT L. KESSLER
LOWELL A. KINTIGH
JAMES E. KNOTT
ROSS L. MALONE
LEWELL N. MAYS
F. JAMES McDONALD
WILLIAM L. MITCHELL
THOMAS A. MURPHY
FRANK O. RILEY
CHARLES J. SCANLON
KENNETH N. SCOTT
LOUIS G. SEATON
ROLAND S. WITHERS
MACK W. WORDEN

Associate General Counsel
General Manager—Electro-Motive Division
General Manager—Frigidaire Division
General Manager—GMC Truck & Coach Division
In charge of Research Laboratories
In charge of Manufacturing Staff
General Manager—Chevrolet Motor Division
In charge of Public Relations Staff
General Manager—Cadillac Motor Car Division
General Manager—Overseas Operations Division
General Manager—GM Assembly Division
In charge of Non-Automotive and Defense Group
General Manager—Fisher Body Division
In charge of Engineering Staff
General Manager—Allison Division
General Counsel
General Manager—Buick Motor Division
General Manager—Pontiac Motor Division
In charge of Styling Staff
In charge of Car and Truck Group
In charge of Automotive Components Group
Pension Fund Investment Coordinator
In charge of Body and Assembly Divisions Group
In charge of Personnel Staff
President and General Manager—General Motors of Canada
Limited
In charge of Marketing Staff

Other Officers

ROGER B. SMITH, Treasurer

HENRY W. WELCH, Comptroller
GEORGE W. COOMBE JR., Secretary

BOARD OF DIRECTORS

JAMES M. ROCHE, Chairman
RICHARD C. GERSTENBERG, Vice Chairman

STEPHEN D. BECHTEL, JR.	JOHN F. GORDON	RICHARD K. MELLON*
EUGENE N. BEESLEY	JAMES R. KILLIAN, JR.	HOWARD J. MORGENS
LLOYD D. BRACE	ROGER M. KYES	CHARLES S. MOTT
ALBERT BRADLEY	OSCAR A. LUNDIN	THOMAS L. PERKINS
HARLEE BRANCH, JR.	JOHN A. MAYER	GEORGE RUSSELL
EDWARD N. COLE	J. WESLEY McAFEE	GERALD A. SIVAGE
JOHN T. CONNOR	W. EARLE McLAUGHLIN	HAROLD G. WARNER
FREDERIC G. DONNER		ALBERT L. WILLIAMS*

FINANCE COMMITTEE

RICHARD C. GERSTENBERG, Chairman

EUGENE N. BEESLEY	FREDERIC G. DONNER	HOWARD J. MORGENS
LLOYD D. BRACE	JOHN F. GORDON	THOMAS L. PERKINS
EDWARD N. COLE	OSCAR A. LUNDIN	JAMES M. ROCHE
JOHN T. CONNOR		GEORGE RUSSELL

EXECUTIVE COMMITTEE

JAMES M. ROCHE, Chairman

EDWARD N. COLE	ROGER M. KYES	OSCAR A. LUNDIN
RICHARD C. GERSTENBERG		HAROLD G. WARNER

ADMINISTRATION COMMITTEE

EDWARD N. COLE, Chairman

JOHN B. BELTZ	JOSEPH E. GODFREY	FRANK O. RILEY
MARTIN J. CASERIO	REUBEN R. JENSEN	JAMES M. ROCHE
JOHN Z. DeLOREAN	ROBERT L. KESSLER	KENNETH N. SCOTT
GEORGE R. ELGES	ROGER M. KYES	RICHARD L. TERRELL
ELLIOTT M. ESTES	OSCAR A. LUNDIN	HAROLD G. WARNER
HARLOW W. GAGE	LEWELL N. MAYS	WALLACE E. WILSON
RICHARD C. GERSTENBERG	F. JAMES McDONALD	ROLAND S. WITHERS
	THOMAS A. MURPHY	

STOCK TRANSFER OFFICES

767 Fifth Avenue, New York, New York 10022
611 Woodward Avenue, Detroit, Michigan 48226
100 West Tenth Street, Wilmington, Delaware 19899
231 South La Salle Street, Chicago, Illinois 60690
One South Van Ness Avenue, San Francisco, California 94120
21 King Street, East, Toronto 1, Ontario
1350 Sherbrooke Street, West, Montreal 25, Quebec

*Not standing for re-election in 1970

DIVISIONS: PERSONNEL, PLANTS AND PRODUCTS

General Motors is a decentralized organization with 119 plants operating in 18 states and 69 cities of the United States, seven plants in Canada, and assembly, manufacturing or warehousing operations in 23 other countries.

Subject to broad over-all policies and coordinated control of the central organization, the 35 operating divisions and subsidiaries serving the United States and Canada manage their own affairs and thus in many respects are like independent businesses.

AC Electronics Division

7929 South Howell Avenue
Milwaukee, Wis. 53201
Telephone: 762-7000 (Area 414)

B. P. BLASINGAME, *General Manager*
J. B. McCRIстал, *Public Relations*
Home Telephone: 962-2012 (Area 414)

(Plant at Milwaukee, Wis., research and development laboratories at Santa Barbara, Calif.; operation of engineering test facilities at Cape Kennedy, Florida; Bethpage and Jamacia, Long Island, New York; Downey and Los Angeles, Calif.; Houston, Texas; Seattle, Wash.)

Navigation and control systems and components for land and sea vehicles, aircraft, spacecraft and missiles

AC Spark Plug Division

1300 North Dort Highway
Flint, Mich. 48556
Telephone: 766-4830 (Area 313)

GEORGE W. CHESTNUT, *General Manager*
STANLEY T. RICHARDS, *Public Relations*
Home Telephone: 767-1932 (Area 313)

Spark plugs; oil filters; instrument panels; fuel pumps; fuel filters; air cleaners; positive crankcase ventilation valves; cruise control systems

Allison Division

4700 West 10th Street
Indianapolis, Ind. 46206
Telephone: 243-2509 (Area 317)

JAMES E. KNOTT, *General Manager*
JAMES V. LECOCQ, *Public Relations*
Home Telephone: 251-4208 (Area 317)

(Plants at Indianapolis and Cleveland, O.)

Gas turbine engines; heavy-duty transmissions; military vehicles; tank gun breech mechanisms; locomotive parts; diesel blowers; bearings; engineering services

In the United States there are nine car, truck and body divisions; 15 automotive components divisions; two defense divisions; four engine divisions; one division which manufactures commercial and household appliances; three finance and insurance units, and General Motors Overseas Operations which is headquartered in New York. In addition, there is one subsidiary in Canada operating seven plants.

Buick Motor Division

902 East Hamilton Avenue
Flint, Mich. 48550
Telephone: 766-5845 (Area 313)

LEWELL N. MAYS, *General Manager*
GERALD H. RIDEOUT, *Public Relations*
Home Telephone: 767-6040 (Area 313)

Buick passenger cars; U.S. distribution of Opel passenger cars

Cadillac Motor Car Division

2860 Clark Avenue
Detroit, Mich. 48232
Telephone: 825-4600 (Area 313)

GEORGE R. ELGES, *General Manager*
WILLIAM J. KNIGHT, *Public Relations*
Home Telephone: 626-0338 (Area 313) (Bloomfield Hills)

Cadillac passenger cars

Central Foundry Division

37 Florence Street
Saginaw, Mich. 48605
Telephone: 755-0911 (Area 517)

ELMER E. BRAUN, *General Manager*
FRED C. HAMMER, *Public Relations*
Home Telephone: 792-6238 (Area 517)

(Plants at Saginaw, Mich.; Danville, Ill.; Defiance, O., and Bedford, Ind.)

Grey iron; malleable iron; ArmaSteel; nodular iron; aluminum and heat resistant alloy castings

Chevrolet Motor Division

3044 West Grand Boulevard
Detroit, Mich. 48202
Telephone: 556-6045 (Area 313)

JOHN Z. DELOREAN, *General Manager*

JOHN L. CUTTER, *Public Relations*

Home Telephone: MAYfair 6-5301 (Area 313)
(Birmingham)

(Plants at Bay City, Mich.; Buffalo, N. Y.; Cleveland, O.; Detroit, Mich.; Flint, Mich.; Indianapolis, Ind.; Livonia, Mich.; Lordstown, O.; Massena, N. Y.; Muncie, Ind.; Norwood, O.; Saginaw, Mich.; St. Louis, Mo.; Toledo, O.; Tonawanda, N. Y.; Warren, Mich., and Ypsilanti, Mich.)

Chevrolet passenger cars and trucks

Delco-Remy Division

2401 Columbus Avenue
Anderson, Ind. 46011
Telephone: 644-5581 (Area 317)

PERRY W. HOUSE, *General Manager*

CHARLES F. HARDY, *Public Relations*

Home Telephone: 646-3367 (Area 317)

(Plants at Anderson, Ind.; Anaheim, Calif.; Olathe, Kan.; Muncie, Ind., and New Brunswick, N. J.)

Starting, generating and ignition systems; switches; vacuum controls; batteries for passenger cars, trucks, buses, farm tractors and off-highway equipment

Delco Moraine Division

1420 Wisconsin Boulevard
Dayton, Ohio 45401
Telephone: 445-5000 (Area 513)

N. L. GEBHART, *General Manager*

J. A. HOLTSON, *Public Relations*

Home Telephone: 298-9189 (Area 513)

Hydraulic drum and disc brake equipment; power brakes; engine bearings; metal powder products and controlled friction components for automatic transmissions

Detroit Diesel Engine Division

13400 West Outer Drive
Detroit, Mich. 48228
Telephone: KEnwood 1-7100 (Area 313)

C. W. TRUXELL, *General Manager*

E. H. BICK, *Public Relations*

Home Telephone: 971-7964 (Area 313) (Ann Arbor)

Diesel engines for marine, industrial, petroleum, transportation, military and construction equipment use

Delco Products Division

2000 Forrer Boulevard
Dayton, Ohio 45401
Telephone: 445-5000 (Area 513)

V. P. BLAIR, *General Manager*

D. L. TEMPLE, *Public Relations*

Home Telephone: 274-2553 (Area 513)

(Plants at Dayton, O., and Rochester, N. Y.)

Shock absorbers; electric motors and generators; hydraulic and electric controls, actuators, windshield wipers; automotive suspension units

Diesel Equipment Division

2100 Burlingame Avenue, S. W.
Grand Rapids, Mich. 49501
Telephone: 245-0481 (Area 616)

ALBERT F. DAVIS, *General Manager*

HAROLD G. GILLISSE, *Public Relations*

Home Telephone: EMpire 1-8123 (Area 616)

Fuel injectors; hydraulic and mechanical valve lifters; jet fuel nozzles; cold formed precision parts

Delco Radio Division

700 East Firmin Street
Kokomo, Ind. 46901
Telephone: 457-8461 (Area 317)

HERMAN G. RIGGS, *General Manager*

WILLIAM B. DRAPER, *Public Relations*

Home Telephone: 453-5511 (Area 317)

Car radios; tape players; heater-air conditioning controls; semiconductor devices; integrated circuits; digital systems, military electronics

Earthmoving Equipment Division

Hudson, Ohio 44236
Telephone: 655-5000 (Area 216)

PETER K. HOGLUND, *General Manager*

ROLLIN N. ROTHACKER, *Public Relations*

Home Telephone: 688-5978 (Area 216) (Stow)

(Plants at Hudson and Cleveland, O.)

TEREX crawler tractors, scrapers, front end loaders

Electro-Motive Division

9301 55th Street
La Grange, Ill. 60525
Telephone: 485-7000 (Area 312)

B. B. BROWNELL, *General Manager*
R. D. INNES, *Public Relations*
Home Telephone: 354-2624 (Area 312)

(Plants at La Grange and Chicago, Ill., and factory rebuild operations at Halethorpe, Md.; Jacksonville, Fla.; Los Angeles, Calif., and Hazelwood, Mo.)

Diesel locomotives; utility power generating plants; large marine and industrial diesel engines

Fisher Body Division

30001 Van Dyke Avenue
Warren, Mich. 48090
Telephone: 575-5213 (Area 313)

ROBERT L. KESSLER, *General Manager*
NORMAN E. MAY, *Public Relations*
Home Telephone: 651-5372 (Area 313) (Rochester)

(Plants at Cleveland, Columbus, Elyria, Euclid, Hamilton, Lordstown, Mansfield, and Norwood, Ohio; Detroit, Flint, Grand Blanc, Grand Rapids, Kalamazoo, Lansing, Livonia, Pontiac, Tecumseh, and Ypsilanti, Mich.; Marion, Ind.; Pittsburgh, Pa.; St. Louis, Mo.; Syracuse, N. Y.; Trenton, N. J., and Willow Springs, Ill.)

Fisher bodies

Frigidaire Division

300 Taylor Street
Dayton, Ohio 45401
Telephone: 445-6076 (Area 513)

HAROLD W. CAMPBELL, *General Manager*
REX W. SMITH, *Public Relations*
Home Telephone: 866-7278 (Area 513)

Refrigerators; freezers; washers; dryers; ranges; dishwashers; food waste disposers; automobile air conditioner compressors and room air conditioners; commercial ice cube makers; commercial washers

GM Assembly Division

30007 Van Dyke Avenue
Warren, Mich. 48090
Telephone: 575-7528 (Area 313)

JOSEPH E. GODFREY, *General Manager*
ANDREW V. O'KEEFE, *Public Relations*
Home Telephone: MIDwest 6-6535 (Area 313) (Birmingham)

(Plants at Arlington, Tex.; Atlanta and Doraville, Ga.; Baltimore, Md.; Framingham, Mass.; Fremont, South Gate, and Van Nuys, Calif.; Janesville, Wis.; Kansas City, Kan.; Kansas City, Mo.; Linden, N. J.; North Tarrytown, N. Y., and Wilmington, Del.)

Assembly of Buick, Chevrolet, Oldsmobile and Pontiac passenger cars, and Chevrolet and GMC trucks

General Motors Parts Division

6060 West Bristol Road
Flint, Mich. 48554
Telephone: 545-5441 (Area 313)

LEWIS G. KALUSH, *General Manager*

Parts Distribution Centers in fifty locations and distribution of parts for Chevrolet, Pontiac, Oldsmobile, Buick and Cadillac passenger cars and Chevrolet trucks

GMC Truck & Coach Division

660 South Boulevard, E.
Pontiac, Mich. 48053
Telephone: 335-4111 (Area 313)

MARTIN J. CASERIO, *General Manager*
FRANK E. CRONIN, *Public Relations*
Home Telephone: 732-2989 (Area 313) (Flint)

Trucks and buses; commercial and military vehicles

Guide Lamp Division

2915 Pendleton Avenue
Anderson, Ind. 46011
Telephone: 646-4244 (Area 317)

S. H. STONER, *General Manager*
W. R. MERRITT, *Public Relations*
Home Telephone: 642-2372 (Area 317)

Car, truck and tractor lamps; lighting controls; mirrors; finished die castings; molded plastic parts; stampings

Harrison Radiator Division

Lockport, N. Y. 14094
Telephone: 434-6611 (Area 716)

LAWRENCE A. ZWICKER, *General Manager*
ROBERT P. SHAW, *Public Relations*
Home Telephone: 434-5353 (Area 716)

(Plants at Lockport and Buffalo, N. Y.)

Car and truck radiators, defrosters, heaters; thermostats and air conditioners; heat exchangers

Hydra-matic Division

Ypsilanti, Mich. 48197
Telephone: HUter 2-7800 (Area 313)

J. STEWART GARLIC, *General Manager*
JOHN T. LYNCH, *Public Relations*
Home Telephone: 455-1752 (Area 313) (Plymouth)

Hydra-matic automatic transmissions for cars, trucks, and military vehicles; M16A1 rifles

Inland Manufacturing Division

P. O. Box 1224
Dayton, Ohio 45401
Telephone: 445-3536 (Area 513)

T. O. MATHUES, *General Manager*
H. I. NEWSOME, *Public Relations*
Home Telephone: 898-5927 (Area 513) (Vandalia)

Weatherstrips; instrument panel pads; steering wheels; urethane seat pads; suspension ball joints; brake lining and hoses; Endura bumpers; ice trays

New Departure-Hyatt Bearings Division

Hayes Avenue
Sandusky, Ohio 44870
Telephone: 626-2120 (Area 419)

PHILIP B. ZEIGLER, *General Manager*
HARRY F. KELLY, JR., *Public Relations*

(Plants at Sandusky, O.; Bristol, Conn.; Clark Township and Harrison, N. J.)

Ball, cylindrical, tapered and needle package bearings for automotive and industrial uses; railroad journal boxes; sprag and roller clutches; forgings; transmission parts

Oldsmobile Division

920 Townsend Street
Lansing, Mich. 48921
Telephone: 373-4430 (Area 517)

JOHN B. BELTZ, *General Manager*
JACK P. WHITE, *Public Relations*
Home Telephone: 372-0374 (Area 517)

Oldsmobile passenger cars

Packard Electric Division

P. O. Box 431
Warren, Ohio 44482
Telephone: 399-9364 (Area 216)

BERT T. OLSON, *General Manager*
PATRICK G. McCART, *Public Relations*
Home Telephone: 856-1679 (Area 216)

Automotive, appliance, marine and farm equipment wiring systems and components; fiber optics; magnet wire

Pontiac Motor Division

One Pontiac Plaza
Pontiac, Mich. 48053
Telephone: 332-8111 (Area 313)

F. JAMES McDONALD, *General Manager*
ROBERT W. EMERICK, *Public Relations*
Home Telephone: 646-0303 (Area 313) (Birmingham)

Pontiac passenger cars

Rochester Products Division

1000 Lexington Avenue
Rochester, N. Y. 14603
Telephone: 254-5050 (Area 716)

JOHN R. WILSON, JR., *General Manager*
WILLIAM P. BLACKMON, *Public Relations*
Home Telephone: 381-6523 (Area 716)

Carburetors; diverter valves; emission control devices; transmission shift controls; steel tubing; cigarette lighters; locks; keys

Saginaw Steering Gear Division

3900 Holland Road
Saginaw, Mich. 48605
Telephone: 754-9151 (Area 517)

E. M. IVEY, JR., *General Manager*
W. K. MITCHELL, *Public Relations*
Home Telephone: SWift 2-3292 (Area 517)

Power, manual steering; anti-theft, energy-absorbing steering columns; driver-adjustable steering; air pumps; front-drive axles; steering linkages; suspension units; prop shafts; ball-bearing actuators

United Motors Service Division (United Delco)

3044 West Grand Boulevard
Detroit, Mich. 48202
Telephone: 556-3919 (Area 313)

WILLIAM M. WALKER, JR., *General Manager*
S. F. BRAUG, JR., *Public Relations*
Home Telephone: 754-4809 (Area 313) (Warren)

Distribution of automotive service parts and equipment

FINANCE AND INSURANCE UNITS

General Motors Acceptance Corporation

767 Fifth Avenue
New York, N.Y. 10022
Telephone: 486-5000 (Area 212)

JOHN O. ZIMMERMAN, *President*
VAN BUREN THORNE, JR., *Public Relations*
Home Telephone: MANhasset 7-7315 (Area 516)

Wholesale and retail financing for dealers in GM passenger cars, trucks, buses and earthmoving equipment and other GM products in the U.S., Canada and overseas

Motors Holding Division

3044 West Grand Boulevard
Detroit, Mich. 48202
Telephone: 556-3020 (Area 313)

WILLIAM HARVEY III, *General Manager*
Capital financing for retail dealers and distributors in GM products

Motors Insurance Corporation

767 Fifth Avenue
New York, N. Y. 10022
Telephone: 486-5000 (Area 212)

FRANK A. MINGLE, *President*
Fire, theft (comprehensive) and collision insurance for passenger cars and trucks in the U.S. and Canada

CANADIAN UNITS

General Motors of Canada Limited

William Street E.
Oshawa, Ont.
Telephone: 644-5000 (Area 416)

ROLAND S. WITHERS, *President and General Manager*

R. L. GOUGH, *Public Relations*
Home Telephone: 723-1865 (Area 416)

(Plants in 6 cities)

St. Catharines, Ont., activities
Telephone: 685-2011, (Area 416)

M. J. CAHILL, *Public Relations*
Home Telephone: 685-7760 (Area 416)

Ste. Therese, Quebec, activities
Telephone: 435-6131 (Area 514)

ANDRE ARNOLDI, *Public Relations*
Home Telephone: 622-2442 (Area 514)

Frigidaire Division
Scarborough, Ont.
Telephone: 755-4111 (Area 416)

E. V. RIPPINGILLE, JR., *General Manager*
R. C. NIDDERY, *Public Relations*
Home Telephone: 291-4673 (Area 416)

Diesel Division
London, Ont.
Telephone: 451-3600 (Area 519)

FREDERICK W. WALKER, JR., *General Manager*
G. BOYD CHESNEY, *Public Relations*
Home Telephone: 471-2828 (Area 519)

Manufacture, assembly and distribution of GM cars, trucks, service parts and accessories; diesel locomotives; diesel engines; power generating plants; buses; Earth-moving Equipment products; Frigidaire products

OVERSEAS UNITS

General Motors Overseas Operations Division

767 Fifth Avenue
New York, N. Y. 10022
Telephone: 486-3400 (Area 212)

HARLOW W. GAGE, *General Manager*

JOHN W. GRISWOLD, *Public Relations*
Home Telephone: 751-2636 (Area 212)

Manufacture, assembly and distribution of GM products outside U.S. and Canada

Individual Operations

Argentina

General Motors Argentina S.A.
San Martin (Buenos Aires)
Argentina

HOWARD W. VANGE, *Managing Director*

Manufacture of Chevrolet passenger cars and Chevrolet commercial vehicles; import of GM products

(Plants in 2 cities)

Australia

General Motors-Holden's Pty. Limited
Fishermen's Bend
Melbourne, Victoria, Australia

ALEX D. RHEA, *Managing Director*

Design and manufacture of Holden Torana, Monaro, Premier, Kingswood, Belmont and Brougham passenger cars, Holden light commercial vehicles and Frigidaire products; assembly of imported vehicles; import of GM products

(Plants in 7 cities)

Austria

General Motors Austria Ges. m. b. H.
Vienna, Austria

GEORGE W. WOLF, JR., *Manager*

Import of GM products

Belgium

General Motors Continental
Antwerp, Belgium

WALTER R. PRICE, *Managing Director*

Assembly of imported vehicles; import of GM products

(Also General Motors Continental, Netherlands Branch, Rotterdam, Netherlands)

Brazil

General Motors do Brasil S.A.
São Caetano do Sul (São Paulo)
Brazil

JAMES F. WATERS, JR., *Managing Director*

Manufacture of Chevrolet Opala passenger cars, Chevrolet commercial vehicles and Frigidaire products; import of GM products

(Plants in 2 cities)

Chile

General Motors Chile S.A.
Santiago, Chile

GERARD J. BOYLE, *Managing Director*

Assembly of imported vehicles; import of GM products

Denmark

General Motors International A/S
Copenhagen, Denmark

JOHN M. DONOVAN, *Managing Director*

Assembly of imported vehicles; import of GM products

Finland

Suomen General Motors Oy.
Helsinki, Finland
DONALD D. LOGAN, *Managing Director*
Import of GM products

France

General Motors France
Gennevilliers (Seine), France
GEORGE H. MINOR, *Managing Director*
Manufacture of automotive components; import of GM products
General Motors Strasbourg S.A.
Strasbourg, France
Manufacture of automatic transmissions

Germany

Adam Opel A.G.
Russelsheim am Main, Federal Republic of Germany
L. RALPH MASON, *Managing Director*
Design and manufacture of Opel Kadett, GT, Olympia, Rekord, Commodore, Kapitän, Admiral and Diplomat passenger cars, light commercial vehicles
(Plants in 3 cities)
General Motors GmbH
Berlin, Federal Republic of Germany
Manufacture of engine bearings
General Motors Deutschland GmbH
Wiesbaden, Federal Republic of Germany
Import of GM products

Great Britain

General Motors Scotland Limited
Motherwell, Lanarkshire, Scotland
GEORGE M. PERRY, *Managing Director*
Manufacture of TEREX off-highway earthmoving equipment
(Plants in 2 cities)
General Motors Limited
London, England
MAX A. ALDRIDGE, *Managing Director*
Manufacture of Frigidaire products and automotive components; import of GM products
(Plants in 4 cities)
Vauxhall Motors Limited
Luton, Bedfordshire, England
DAVID L. HEGLAND, *Chairman and Managing Director*
Design and manufacture of Vauxhall Viva, Victor, Ventora, VX 4/90, Cresta and Viscount passenger cars, Bedford commercial vehicles
(Plants in 3 cities)

Italy

General Motors Italia S.p.A.
Rome, Italy
RUDOLPH H. BONIFACE, *Managing Director*
Import of GM products

Mexico

General Motors de Mexico, S.A. de C.V.
Mexico, D.F.
RICHARD L. EHRLICH, *Managing Director*
Manufacture of Chevrolet and Opel passenger cars and commercial vehicles; import of GM products
(Plants in 2 cities)

New Zealand

General Motors New Zealand Limited
Wellington, New Zealand
IVON H. CHEW, *Managing Director*
Assembly of imported vehicles; manufacture of Frigidaire products; import of GM products

Norway

General Motors (Norway) A/S
Lillestrom (Oslo), Norway
PARKER C. WISEMAN, *Managing Director*
Import of GM products

Peru

General Motors del Peru S.A.
Lima, Peru
JOHN F. BECK, *Managing Director*
Assembly of imported vehicles; import of GM products

Portugal

General Motors de Portugal, Limitada
Lisbon and Azambuja, Portugal
ROBERT M. CORBY, *Manager*
Assembly of imported vehicles; import of GM products

South Africa

General Motors South African (Pty.) Limited
Port Elizabeth, Republic of South Africa

WILLIAM G. SLOCUM, JR., *Managing Director*

Manufacture of Ranger, Chevrolet, Vauxhall, Opel and Holden passenger cars and Frigidaire products; assembly of imported vehicles; import of GM products

(Plants in 2 cities)

Sweden

General Motors Nordiska A.B.
Stockholm, Sweden

GERALD Y. GENN, *Managing Director*

Import of GM products

Switzerland

General Motors Suisse S.A.
Bienne, Switzerland

HUGH A. AUSTIN, *Managing Director*

Assembly of imported vehicles; import of GM products

Uruguay

General Motors Uruguay S.A.
Montevideo, Uruguay

JOSEPH J. SANCHEZ, *Managing Director*

Assembly of imported vehicles; import of GM products

Venezuela

General Motors de Venezuela, C.A.
Caracas, Venezuela

PEDRO A. PESSOA, *Managing Director*

Assembly of imported vehicles; import of GM products

New York

General Motors Overseas
Distributors Corporation
767 Fifth Avenue
New York, N. Y. 10022

GREGORY R. McNAB, *Managing Director*

Distribution of GM products in all overseas territories not served by plants or warehouses

PUBLIC RELATIONS STAFF

General Motors' Public Relations Staff is divided into three major sections with all activities reporting to Anthony G. De Lorenzo, vice president in charge of the Public Relations Staff.

The three sections and their directors are: News Relations, Thomas E. Groehn; Institutional Operations, Waldo E. McNaught, and Field Operations, Edmund Steeves.

Activities reporting to Mr. Groehn include the News Relations Section offices in Detroit and New York and General Publicity. Sections reporting to Mr. McNaught include Research and Educational Services; Public Relations Services and Shareholder Relations; Production and Distribution of films and booklets; Editorial Services, Divisional and Defense Projects, and Institutional Projects. Operations reporting to Mr. Steeves include Public Affairs; Public Issue Studies; Safety Program Services; Community Affairs; Plant City and Regional Activities, and Field Relations. Ernest L. Barcella is manager of the Washington Office and C. Carlton Brechler is executive assistant to Mr. De Lorenzo.

In addition to public relations men listed for General Motors divisions on previous pages, members of the General Motors Central Office Public Relations Staff are available, at office and home, to answer questions about the company and its products.

Members of the News Relations Section, offices to which they are assigned and their telephone numbers are:

NEWS RELATIONS SECTION

Thomas E. Groehn, Director Detroit Office Telephone: 556-2027

Home: 881-4584 (Grosse Pointe Woods)

DETROIT OFFICE

General Motors Building

Detroit, Michigan 48202

Phone: 556-5000 (Area 313)

Night Line: 873-3245 (Area 313)

William M. Lovell, Director of Detroit Office

. 556-2028

Home: 626-1910 (Orchard Lake)

Warren R. Jollymore, Manager of

General Publicity 556-2030

Home: 882-5636 (Grosse Pointe)

William M. Adams 556-2031

Home: 544-9192 (Royal Oak)

James W. Crellin 556-2034

Home: 294-2169 (St. Clair Shores)

Anthony V. Gagliardi 556-2036

Home: 886-3879 (Grosse Pointe Woods)

Gregory J. Harrell 556-2035

Home: 531-9356 (Detroit)

Joseph H. Karshner 575-1265

Home: 543-9697 (Huntington Woods)

Clifford D. Merriott 556-2032

Home: 646-4651 (Birmingham)

Donald Postma 556-2037

Home: 642-1536 (Bloomfield Hills)

Philip F. Workman 556-2033

Home: 626-2004 (Birmingham)

NEW YORK OFFICE

General Motors Building

767 Fifth Avenue, New York, New York 10022

Phone: 486-5000 (Area 212)

Night Lines: 486-2300 and 486-2302

Paul E. Svoboda, Manager of New York Office

. 486-2300

Home: Area 201—652-1538 (Ridgewood, N. J.)

Robert B. Johnson 486-2302

Home: Area 212—535-8828 (New York)

Harry A. Turton 486-2306

Home: Area 203—762-9487 (Wilton, Conn.)

August R. Buenz 486-2304

Home: Area 212—861-7037 (New York)

WASHINGTON OFFICE

Suite 804

1660 L Street, N.W., Washington, D. C. 20036

Phone: 659-5000 (Area 202)

Night Line: 659-5101

Fred J. Archibald 659-5105

Home: Area 202—338-3974 (Washington, D. C.)

Jack Harned 659-5110

Home: Area 202—554-3964 (Washington, D. C.)

REGIONAL PUBLIC RELATIONS OFFICES

Where more convenient, writers and commentators may address editorial questions to the General Motors Regional Public Relations Offices in their area. They are:

SOUTHERN REGION (Atlanta)

(Alabama, Florida, Georgia, North Carolina, South Carolina, Northern Mississippi, Tennessee, Virginia)

Ronald L. Theis
Public Relations Staff
2111 Gas Tower Building
235 Peachtree Street
Atlanta, Georgia 30303

Office Telephone: Area 404—523-7451
Home: Area 404—436-8928

NEW YORK REGION (Buffalo)

(New York—except Southeastern area, Pennsylvania—except Philadelphia area)

James W. Fuson, Jr.
Public Relations Staff
1809 Liberty Bank Building
Buffalo, New York 14202

Office Telephone: Area 716—854-6368
Home: Area 716—839-1457

NORTHERN CENTRAL REGION (Chicago)

(Northern Illinois, Iowa, Minnesota, North Dakota, South Dakota, Wisconsin)

Frank R. Faraone
Public Relations Staff
Room 1010
500 North Michigan Avenue
Chicago, Illinois 60611

Office Telephone: Area 312—337-4601
and 337-4768
Home: Area 312—664-6626

NORTHERN OHIO REGION (Cleveland)

(Northern Ohio)

Chris J. Edmonds
Public Relations Staff
1846 Illuminating Building
55 Public Square
Cleveland, Ohio 44113

Office Telephone: Area 216—621-6022
Home: Area 216—932-5484

SOUTHWESTERN REGION (Dallas)

(Arkansas, Louisiana, Southern Mississippi, New Mexico, Oklahoma, Texas)

Harry L. Blair
Public Relations Staff
3008 Southland Center
Dallas, Texas 75201

Office Telephone: Area 214—748-5548
Home: Area 214—363-1362

SOUTHERN OHIO REGION (Dayton)

(Southern Ohio and West Virginia)

Edward L. Warner, Jr.
Public Relations Staff
Room 528
333 West First Street
Dayton, Ohio 45402

Office Telephone: Area 513—445-5020
Home: Area 513—299-6427

SOUTHEASTERN MICHIGAN REGION (Pontiac)

(Southeastern Michigan and Canadian Operations)

William G. Quigley, Jr.
Public Relations Staff
1410 Pontiac State Bank Bldg.
Pontiac, Michigan 48058

Office Telephone: Area 313—334-9988
Home: Area 313—349-1232

NORTHERN MICHIGAN REGION (Flint)

(Michigan—except Southeastern area)

George E. Freer
Public Relations Staff
1626 Mott Foundation Building
Flint, Michigan 48502

Office Telephone: Area 313—766-1802
Home: Area 313—694-7806

CENTRAL REGION (Indianapolis)

(Indiana, Kentucky)

Bedford C. Culp
Public Relations Staff
709 Chamber of Commerce Building
Indianapolis, Indiana 46204

Office Telephone: Area 317—635-6564
Home: Area 317—846-8248

MIDWESTERN REGION (Kansas City)

(Colorado, Southern Illinois, Kansas, Missouri, Nebraska, Wyoming)

James F. Hughes
Public Relations Staff
2730 Commerce Tower
Kansas City, Missouri 64105

Office Telephone: Area 816—421-3322
Home: Area 913—381-3499

WESTERN REGION (Los Angeles)

(Arizona, Southern California, Southern Nevada, Utah)

Thomas L. Pond
Public Relations Staff
311 Gateway East
Century City
Los Angeles, California 90067

Office Telephone: Area 213—277-2511
Home: Area 213—472-2632

EASTERN REGION (Newark)

(Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, Southeastern New York, Philadelphia area, Rhode Island, Vermont)

James L. Tolley
Public Relations Staff
20 Evergreen Place
East Orange, New Jersey 07018

Office Telephone: Area 201—674-7750
Home: Area 201—891-0981

NORTHWESTERN REGION (San Francisco)

(Northern California, Idaho, Montana, Northern Nevada, Oregon, Washington, Alaska)

R. Stanley Maddox
Public Relations Staff
One Maritime Plaza, Room 2170
Golden Gateway Center
San Francisco, California 94111

Office Telephone: Area 415—981-1617
Home: Area 415—349-3348

GENERAL MOTORS CORPORATION

STATISTICAL

Year	Net Sales	Net Income	Net Income as % of Sales	Dividends on Preferred Stocks	Amount Earned on Common Stock		Dividends on Common Stock		Dividends on Preferred and Common Stocks as % of Net Income
					Total	Per Share*	Total	Per Share*	
1950	\$ 7,531,086,846	\$ 834,044,039	11.1%	\$12,928,315	\$ 821,115,724	\$3.12	\$ 526,111,783	\$2.00	64.6%
1951	7,465,554,851	506,199,560	6.8	12,928,313	493,271,247	1.88	350,249,851	1.33	71.7
1952	7,549,154,419	558,721,179	7.4	12,928,313	545,792,866	2.08	349,041,039	1.33	64.8
1953	10,027,985,482	598,119,478	6.0	12,928,312	585,191,166	2.24	348,760,514	1.33	60.5
1954	9,823,526,291	805,973,897	8.2	12,928,309	793,045,588	3.03	436,507,196	1.67	55.8
1955	12,443,277,420	1,189,477,082	9.6	12,928,305	1,176,548,777	4.30	592,245,497	2.17	50.9
1956	10,796,442,575	847,396,102	7.8	12,928,302	834,467,800	3.02	552,853,282	2.00	66.8
1957	10,989,813,178	843,592,435	7.7	12,928,300	830,664,135	2.99	555,453,812	2.00	67.4
1958	9,521,965,629	633,628,076	6.7	12,928,298	620,699,778	2.22	558,940,800	2.00	90.3
1959	11,233,057,200	873,100,149	7.8	12,928,296	860,171,853	3.06	561,838,126	2.00	65.8
1960	12,735,999,681	959,042,489	7.5	12,928,293	946,114,196	3.35	564,190,599	2.00	60.2
1961	11,395,916,826	892,821,444	7.8	12,928,292	879,893,152	3.11	707,383,013	2.50	80.7
1962	14,640,240,799	1,459,077,450	10.0	12,928,290	1,446,149,160	5.10	850,465,125	3.00	59.2
1963	16,494,818,184	1,591,823,058	9.7	12,928,288	1,578,894,770	5.56	1,135,809,405	4.00	72.2
1964	16,997,044,468	1,734,781,555	10.2	12,928,286	1,721,853,269	6.05	1,266,306,261	4.45	73.7
1965	20,733,982,295	2,125,606,440	10.3	12,928,282	2,112,678,158	7.41	1,496,812,657	5.25	71.0
1966	20,208,505,041	1,793,391,691	8.9	12,928,278	1,780,463,413	6.24	1,298,106,848	4.55	73.1
1967	20,026,252,468	1,627,276,076	8.1	12,928,276	1,614,347,800	5.66	1,084,355,349	3.80	67.4
1968	22,755,402,947	1,731,914,777	7.6	12,928,273	1,718,986,504	6.02	1,227,446,007	4.30	71.6
1969	24,295,141,357	1,710,695,164	7.0	12,928,272	1,697,766,892	5.95	1,227,429,173	4.30	72.5

Factory Sales of Cars and

Cars and Trucks Manufactured in the United States

Year	PASSENGER CARS						TRUCKS AND COACHES			TOTAL United States
	Buick	Cadillac	Chevrolet	Oldsmobile	Pontiac	TOTAL	Chevrolet	GMC	TOTAL	
1960	304,085	158,719	1,874,659	400,379	447,868	3,185,710	393,100	102,567	495,667	3,681,377
1961	292,398	147,957	1,605,434	322,366	362,147	2,730,302	343,677	76,333	420,010	3,150,312
1962	416,087	159,014	2,158,958	458,045	545,884	3,737,988	396,123	88,712	484,835	4,222,823
1963	480,082	164,651	2,302,458	504,853	625,688	4,077,732	482,769	101,189	583,958	4,661,690
1964	484,137	154,991	2,118,647	511,848	693,743	3,963,366	524,501	110,123	634,624	4,597,990
1965	651,792	196,420	2,585,014	649,530	858,915	4,941,671	618,944	135,865	754,809	5,696,480
1966	582,098	205,009	2,201,882	594,906	864,797	4,448,692	620,322	126,370	746,692	5,195,384
1967	575,001	212,576	1,919,687	553,993	858,448	4,119,705	548,219	130,720	678,939	4,798,644
1968	649,789	211,389	2,144,622	636,594	938,921	4,581,315	679,771	149,234	829,005	5,410,320
1969	713,894	266,489	2,002,074	668,108	774,707	4,425,272	684,452	149,928	834,380	5,259,652

and Consolidated Subsidiaries

SUMMARY

Net Income Retained for Use in the Business		Expenditures for Plant and Equipment (Excluding Special Tools)	Worldwide		At December 31			Year
Total	Per Share*		Payrolls	Average Number of Employees	Common and Preferred Stockholders		Net Working Capital	
					Number	Equity		
\$295,003,941	\$1.12	\$ 175,621,363	\$1,843,342,263	495,627	445,573	\$2,387,379,115	\$1,506,256,144	1950
143,021,396	.55	259,811,173	1,905,691,399	501,812	478,924	2,530,400,511	1,456,758,140	1951
196,751,827	.75	343,064,482	2,062,103,065	490,749	487,624	2,727,152,338	1,191,221,891	1952
236,430,652	.91	500,909,068	2,676,044,049	585,602	494,632	2,982,531,816	1,236,134,209	1953
356,538,392	1.36	754,650,239	2,610,195,006	576,667	487,639	3,339,070,208	1,350,561,015	1954
584,303,280	2.13	608,121,546	3,127,145,514	624,011	565,408	4,255,055,724	2,058,257,831	1955
281,614,518	1.02	890,526,891	2,895,768,446	599,243	656,076	4,581,590,189	1,745,974,246	1956
275,210,323	.99	473,888,927	2,954,775,530	588,160	717,746	4,905,107,782	1,861,363,078	1957
61,758,978	.22	269,382,628	2,688,379,697	520,925	750,731	5,016,839,689	2,098,705,137	1958
298,333,727	1.06	319,940,202	3,083,759,866	557,218	786,744	5,371,011,318	2,566,157,275	1959
381,923,597	1.35	525,972,182	3,487,092,528	595,151	830,873	5,814,660,789	2,799,315,560	1960
172,510,139	.61	503,224,903	3,238,818,071	552,984	867,052	6,025,655,017	3,058,577,064	1961
595,684,035	2.10	645,113,381	3,894,873,691	604,718	1,059,225	6,650,971,621	3,528,029,982	1962
443,085,365	1.56	647,221,971	4,312,751,823	640,073	1,068,151	7,121,011,941	3,727,408,166	1963
455,547,008	1.60	929,588,476	4,592,481,476	660,977	1,186,885	7,599,015,311	3,651,041,721	1964
615,865,501	2.16	1,321,980,238	5,448,342,843	734,594	1,310,278	8,237,278,347	3,684,854,671	1965
482,356,565	1.69	1,188,054,246	5,559,741,677	745,425	1,417,955	8,726,102,975	3,605,988,574	1966
529,992,451	1.86	912,629,617	5,634,191,663	728,198	1,399,113	9,261,152,666	4,006,404,554	1967
491,540,497	1.72	860,189,501	6,540,142,678	757,231	1,371,795	9,756,809,763	4,230,273,858	1968
470,337,719	1.65	1,043,841,860	6,928,279,079	793,924	1,362,721	10,227,903,640	4,352,044,501	1969

*In terms of present \$1½ par value common stock

Trucks, including export shipments

Cars and Trucks Manufactured Outside the United States						TOTAL Canada and Overseas	TOTAL SALES ALL SOURCES	Year
CANADIAN PLANTS	OVERSEAS PLANTS							
	Australia	England	Germany	All Other	Total			
208,357	140,336	245,981	366,817	18,128	771,262	979,619	4,660,996	1960
196,407	112,680	186,388	377,258	13,584	689,910	886,317	4,036,629	1961
268,624	133,325	215,974	378,878	18,977	747,154	1,015,778	5,238,601	1962
307,651	166,118	248,227	574,796	15,768	1,004,909	1,312,560	5,974,250	1963
293,367	170,212	342,873	678,278	31,758	1,223,121	1,516,488	6,114,478	1964
418,527	151,514	330,983	636,503	44,124	1,163,124	1,581,651	7,278,131	1965
356,407	154,584	275,383	653,421	82,159	1,165,547	1,521,954	6,717,338	1966
385,827	145,067	290,706	560,239	90,869	1,086,881	1,472,708	6,271,352	1967
423,579	168,363	329,047	654,584	101,021	1,253,015	1,676,594	7,086,914	1968
501,134	174,476	285,574	802,463	136,227*	1,398,740	1,899,874	7,159,526	1969

*In 1969, includes 28,798 units for Argentina, 52,015 units for Brazil, 27,192 units for Mexico and 28,222 units for South Africa

HIGHLIGHTS OF 1969

SALES

Dollar sales of General Motors products reached a new high in 1969. Worldwide sales totaled \$24.3 billion in 1969, compared with \$22.8 billion in 1968. Of the 1969 total, 97% was accounted for by commercial sales—90% automotive products and 7% nonautomotive. Defense and space items made up 3% of the total worldwide dollar sales. General Motors' operations in the United States and Canada accounted for 86% of worldwide dollar sales, while General Motors' overseas operations accounted for the remaining 14%.

	1969	1968
Dollar sales of all products		
Commercial	\$23,595,577,000	\$22,056,071,000
Defense and Space	699,564,000	699,332,000
Total	\$24,295,141,000	\$22,755,403,000

General Motors' worldwide factory sales of cars and trucks in 1969 were above the level achieved in 1968 and were second only to the record year 1965. In 1969, GM dealers delivered 52.4% of the North American-type passenger cars sold in the United States, compared with 52.0% in 1968. GM's sales performance showed marked improvement in the intermediate-size and luxury car lines. Chevrolet Chevelle and Nova models, Oldsmobile 88's and 98's, Buick Electra 225's and Cadillac De Ville and Fleetwood models showed sales gains. Demand for imported cars in the U.S. continued to expand in 1969, with retail sales of about 1,050,000 units representing 11% of new car sales. The Opel Kadett and the Opel GT, produced by a General Motors subsidiary in Germany and sold through Buick dealers in the United States, are strong competitors in this part of the vehicle market. Retail sales of these popular GM imports in the U.S. in 1969 totaled 93,500 units, surpassing the previous peak set in 1968 by 10%. The increase in sales of imported vehicles in 1969 is one factor that reflects the growth in demand for smaller, lower priced vehicles. GM will increase its competitive offerings in this segment of the market with the introduction in the second half of 1970 of a new Chevrolet small car. The new small car will be slightly longer than the most popular imported car and superior in comfort, roominess, performance and style. A new aluminum engine and simplified maintenance characteristics will help make this car an outstanding value for customers preferring smaller cars. Demand for trucks in all weight classes remained strong. GM's worldwide factory sales of trucks totaled 1,136,000 units, representing an increase of 4% in 1969 over 1968, setting a record for the second straight year.

	1969	1968
Factory sales of cars and trucks		
Manufactured in U.S. plants . . .	5,260,000	5,410,000
Manufactured in Canadian plants	501,000	424,000
Manufactured in Overseas plants	1,399,000	1,253,000
Total	7,160,000	7,087,000

EARNINGS

Net income in 1969 was \$1,711 million, compared with \$1,732 million in 1968. About 91% of the 1969 net income was earned in the United States and Canada and 9% by GM's overseas operations. Net income as a percentage of sales was 7.0% in 1969, compared with 7.6% for 1968. The trend in earnings in 1969 has not kept pace with the upward trend in sales. Substantial increases in labor and material costs, which were only partially recovered by price increases, were responsible for the reduction in net income in a year of higher sales. A further cause of the lower earnings was the decrease in the number of passenger cars manufactured in the United States,

due in part to strikes in the second and fourth quarters. While the decrease was offset by increased sales of vehicles produced outside the United States, the smaller overseas produced units, which sell at a lower average price, could not compensate in terms of dollar sales and profit. Earnings per share of common stock were \$5.95 for 1969, compared with \$6.02 per share in 1968. Both amounts are after the 10% income tax surcharge, which was equivalent to \$0.54 per share in 1969 and \$0.56 per share in 1968. Dividends paid on the common stock in 1969 totaled \$4.30 per share, the same as was paid to stockholders in the 1968 calendar year.

	1969	1968
Net income	\$1,710,695,000	\$1,731,915,000
As a percent of sales . . .	7.0%	7.6%
Earned per share of common stock	\$5.95	\$6.02
Dividends per share of common stock	\$4.30	\$4.30

TAXES

The provision for United States and foreign income taxes in 1969 totaled \$1,743 million, compared with \$1,793 million in 1968.

	1969	1968
Provision for U. S. and foreign income taxes . .	\$1,743,300,000	\$1,792,900,000
Other tax provisions (including state, local and GM's share of social security taxes)	793,400,000	736,900,000
Total taxes	\$2,536,700,000	\$2,529,800,000
Total taxes per share of common stock	\$8.89	\$8.86
Total taxes per dollar of net income	\$1.48	\$1.46
Total taxes per dollar of dividends	\$2.05	\$2.04

The provision for United States and foreign income taxes in 1969 was \$1.7 billion, compared with \$1.8 billion in 1968. This provision, together with state and local taxes and the Corporation's share of social security taxes, resulted in a total tax provision of \$2.5 billion in 1969, approximately the same as 1968. Including sales and excise taxes, which are excluded from both sales and costs but are paid by the buyers of GM products, all taxes applicable to General Motors operations in 1969 were \$4.1 billion, the equivalent of \$2.38 for every dollar of net income and \$14.24 per share of common stock.

The following amounts have been provided by General Motors in the past ten years for U.S. and foreign income taxes:

1960	\$1,078,500,000	1965	\$1,966,000,000
1961	875,200,000	1966	1,477,400,000
1962	1,475,400,000	1967	1,386,100,000
1963	1,762,100,000	1968	1,792,900,000
1964	1,548,900,000	1969	1,743,300,000

MODERNIZATION AND EXPANSION

A total of \$1,044 million was spent to build and equip new GM plants and to modernize existing plants in 1969. Of this amount, GM spent 90% in the United States and 10% in Canada and other countries.

Expenditures for plant and equipment in 1970, as in 1969, will reflect the Corporation's best judgment as to the future requirements of expanding and more demanding markets. At

the same time, it will take into consideration the current U.S. concern for inflation and the need for restraint in capital spending. As a result, by adjusting the timing of expenditures on some projects, and by deferring others to subsequent periods, a lower rate of capital spending in the U.S. in the immediate months ahead is anticipated.

Allison Division is building a 433,000 square-foot addition to its transmission facility in Indianapolis, Indiana. Delco Products Division in Dayton, Ohio, is building a 508,000 square-foot plant to provide for increased production of shock absorbers.

Pontiac Motor Division's major construction projects include a 220,000 square-foot expansion to the existing assembly plant in Pontiac, Michigan, an emissions control and carburetor testing facility and a new five-story administration building.

Earthmoving Equipment Division is completing a new engineering center in Hudson, Ohio. Available manufacturing space for the Division was increased by transferring a 760,000 square-foot plant near Cleveland, Ohio, formerly used by the Fisher Body Division.

Electro-Motive Division is continuing a major plant expansion, modernization and re-tooling program to be completed in 1971.

Central Foundry Division will increase capacity and modernize its foundries at Defiance, Ohio; Saginaw, Michigan; and Danville, Illinois. The projects include additions totaling 520,000 square feet of floor space.

Harrison Radiator Division in Lockport, N.Y., and Frigidaire Division in Dayton, Ohio, are expanding their facilities to increase automobile air conditioner and compressor production capacity. Other projects include a new power steering production plant at Saginaw Steering Gear Division in Saginaw, Michigan; a building addition and fuel injector facilities at Diesel Equipment Division in Grand Rapids, Michigan; and increasing capacity and modernizing the Fisher Body Fleetwood plant in Detroit.

Expenditures have been approved for capacity increases at Buick, Cadillac, Oldsmobile, GM Assembly and Fisher Body Divisions. The major portions of these expenditures will be made in 1970 and 1971.

A centralized vehicle emission test facility is being built at the General Motors Proving Ground in Milford, Michigan, and new air and water pollution control facilities are being constructed at nine GM plant locations.

GM of Canada is expanding its stamping plant and its truck plant at Oshawa, Ontario, and its Diesel Division facilities at London, Ontario, to increase TEREX equipment production. GM of Canada is also increasing foundry and V8 engine production capacity as well as installing foundry emission control facilities at St. Catharines, Ontario.

Overseas, expansion projects include a new V8 engine plant and a Safety Design Test Center at GM-Holden's in Australia, and a new proving ground at Vauxhall in Great Britain. Expenditures also are being made at Vauxhall to increase capacity for Viva passenger car production and at Opel in Germany and General Motors Continental in Belgium, related to Opel production capacity.

GM is forming a new subsidiary and building a 172,000-square-foot factory at Bascharage, Luxembourg, to manufacture TEREX rear-dump trucks and front-end loaders, and GM Scotland is building an addition to its Motherwell, Scotland, facility to increase earthmoving equipment production.

DEFENSE AND SPACE ACTIVITIES

General Motors defense and space effort carried the Corporation into a wide variety of research, development and production activities during 1969. More than 30 divisions and staffs were involved in this project.

Included were activities related to the M-551 "General Sheridan" armored reconnaissance airborne assault vehicle, the M-109 self-propelled howitzer, the XM-705 military vehicle, 20mm aircraft cannon, M-16 rifle, actuators, squad and jungle radios, silver-zinc batteries for missiles, fusing devices and 81mm and 105mm shells, gun-launcher breech mechanisms, and gun mounts; guidance and controls systems for the Titan II missile and the Titan III-C space launch vehicle; guidance, navigation, and control systems for the Apollo command and lunar modules; diesels including the non-

magnetic type for marine purposes and a variety of internal combustion engines, transmissions, earthmoving equipment, various types of generators, and other components for a variety of ground vehicles and aircraft. GM also conducts extensive research and engineering activities relating to ground, sea, air, and space programs for the United States Government.

Man's first landing on the moon and lift-off from it were controlled by a General Motors guidance and navigation system in the Apollo 11 lunar module. A similar GM system in the command module guided the spacecraft from trans-lunar injection into lunar orbit, controlled the critical engine burn for the return to earth, then guided the first man-on-the-moon to a safe, pinpoint landing within sight of the recovery ship. GM guidance and navigation systems also performed flawlessly on the Apollo 9 earth orbit mission, on the Apollo 10 lunar orbit mission and on the second lunar landing accomplished by Apollo 12. High-strength titanium pressure vessels manufactured by GM carried the propellant for the service and lunar landing modules on all of the Apollo flights. GM also is building major parts for the first Lunar Roving Vehicle. It will provide the mobility sub-system which includes the wheels and drive assemblies, suspension, and the steering and control components for the NASA vehicle. In addition, GM guidance systems controlled launch and intricate orbital maneuvers on two flights of the U. S. Air Force Titan III-C standard space launch vehicle which placed scientific and communications satellites into precise earth orbit.

General Motors started production of a 15,000 pound thrust turbofan aircraft engine for the U. S. Navy's new A-7E light attack aircraft and a 14,250 pound thrust configuration for the U. S. Air Force's A-7D attack bomber. Production continues on the light-weight T63, a 317-horsepower turbo-shaft engine that powers two types of U. S. Army light observation helicopters and a Navy training helicopter; and on T56 turboprop engines for a variety of large four-engine and twin-engine aircraft designed for cargo, aerial surveillance, and anti-submarine warfare.

Development continued on the pilot models of the Main Battle Tank, the MBT-70, a joint project between the United States and the Federal Republic of Germany. This joint project, however, has since been discontinued, and the two nations will pursue separate programs, funding them unilaterally.

SUPPLIERS

Payments to General Motors suppliers during 1969 totaled \$11,525 million, or 47¼% of every dollar GM received during the year.

According to a recent survey, General Motors buys materials, parts, components and services from more than 39,000 suppliers in the United States alone. Approximately 79% of these suppliers have fewer than 100 employees. This fact illustrates the interdependence of large and small business which is characteristic of the American economy and an important source of its continuing strength.

WHERE GM'S DOLLAR GOES

GM received in 1969		MILLIONS	
From sale of its products and			
other income	\$24,448		100%
These receipts went			
To suppliers for materials,			
services, etc.	11,525		47¼
To employees for payrolls, employee			
benefit plans, etc.	7,909		32¼
For Federal, state and local taxes. . . .	2,537		10½
To provide for depreciation and			
obsolescence of real estate,			
plants and equipment	766		3
To GM stockholders	1,240		5
For use in the business to provide for			
expansion and modernization of			
facilities and for working capital . . .	471		2

PEOPLE OF GENERAL MOTORS

EMPLOYMENT AND PAYROLLS

General Motors average worldwide employment was approximately 794,000 in 1969, and payrolls totaled \$6,928 million. Both worldwide employment and payrolls were the highest in GM history, exceeding the previous highs set in 1968.

Average hourly-rate employment in the United States in 1969 was 442,000 and payrolls totaled \$4,243 million. Hourly wages averaged \$4.65 per hour for an average work week of 39.7 hours. This compares with \$4.47 per hour for an average work week of 41.4 hours in 1968. Both amounts exclude the cost of employee benefit programs. The average weekly wage of GM's hourly-rate employees in the United States in 1969 was \$184.60, substantially above the average weekly earnings of all U.S. manufacturing employees as reported by the Bureau of Labor Statistics.

The wage rate of General Motors hourly-rate employees in the U.S. was increased on November 24, 1969, in amounts ranging from nine to 18 cents per hour, as a result of agreements signed with the UAW, IUE and other unions in 1967 and early 1968. In addition, effective October 27, 1969, the total cost-of-living allowance for these employees rose by eight cents to 21 cents an hour. The November 24 wage increases will amount to an estimated \$130 million per year and will bring the total increase in income from wages and cost-of-living allowances over the three-year life of the contracts to nearly \$1.5 billion. The agreements also provided increased pension benefits, survivor benefits under the insurance program, improved hospital and medical expense benefits, and increased amounts and longer duration of supplemental unemployment benefits.

Effective December 1, 1969, eligible salaried employees in the United States received general salary increases ranging from \$16 to \$36.50 per month. In addition, the cost-of-living allowance for eligible salaried employees was increased from \$65 to \$105 per quarter effective November 1, 1969.

Worldwide Employment	1969	1968
Average number of employees	794,000	757,000
Total payrolls	\$6,928,000,000	\$6,540,000,000
U. S. Hourly-Rate Employment		
Average number of hourly-rate employees . .	442,000	424,000
Total hourly-rate payrolls	\$4,243,000,000	\$4,079,000,000
Average weekly wage of hourly-rate employees . .	\$184.60	\$184.83

EMPLOYEE BENEFIT PROGRAMS

During 1969, General Motors, on behalf of its employees in the United States, contributed \$903 million to the General Motors benefit programs. These programs are designed to help employees provide financial security for themselves and their families. Two of the most important programs are the pension program and the group insurance program. The latter provides life and disability income insurance and hospital-surgical-medical coverage. Effective October 1, 1969, prescription drug benefits for GM employees and their eligible dependents were added to the group insurance program. At the end of 1969, over 92,000 persons were receiving retirement benefits under the General Motors pension program.

Benefit plans for Canadian employees are similar to those in effect in the United States. Benefit plans overseas vary and are generally in accord with local custom.

Savings-Stock Purchase Program: Salaried employees in the United States with more than one year of service are eligible to participate in the GM Savings-Stock Purchase Program. An employee may save up to 10% of his salary under the Program, and the Corporation contributes \$1 for each \$2 the employee saves. In 1969, 92% of the eligible employees saved 8% of their salaries.

There were 78,800 employees in the United States in the class of 1964 when it matured at the end of 1969. They received or were credited with GM common stock, Government securities and cash valued at \$92 million, which was the equivalent of \$1.66 for each \$1 they had saved.

Suggestion Plan: More than \$17.3 million in suggestion awards was paid to GM employees in the U. S. and Canada for 279,230 suggestions adopted under the GM Employee Suggestion Plan in 1969. Sixty-three of these suggestions earned the \$10,000 maximum award. Since 1942 when the Suggestion Plan began, awards have totaled more than \$128 million for 2.6 million employee suggestions adopted.

Tuition Refund Plan: Under the Tuition Refund Plan, 17,900 hourly-rate and salaried employees furthered their education in 1969. Under this Plan, General Motors reimburses each participating employee up to \$350 per year for the satisfactory completion of approved courses in recognized educational institutions. In 1969, a total of 233 General Motors employees earned bachelor's degrees and 160 received graduate degrees. Tuition refunds and individual graduate fellowships granted to employees by the Corporation totaled \$2.7 million in 1969.

GM'S EMPLOYMENT POLICY

General Motors has a policy of nondiscrimination in employment that provides job opportunities to all qualified applicants regardless of age, race, sex, creed or national origin. More than 97,000 minority employees, representing 15% of GM's total U.S. employment, are employed in GM offices and plants throughout the United States. Employee training and educational opportunities are available to all employees on an equal basis. As a result of these opportunities, which include in-plant education in numerous subjects, many employees have improved their skills and moved to higher job classifications.

The Corporation also is active in efforts to aid the disadvantaged. In April of 1968, GM set a national goal for hiring 12,500 hard-core unemployed by July, 1969. This goal was exceeded by 164% on the target date. By the end of 1969, a total of over 45,000 hard-core unemployed had been hired. In addition, General Motors provided summer employment for more than 1,900 disadvantaged youths in 1969.

Through Project Transition, GM assists men awaiting separation from the armed forces to prepare for their return to civilian life by offering courses in automotive service and appliance repair at GM Training Centers near military bases. Almost 1,600 men took advantage of this program in 1969.

SAFETY AND HEALTH

Protecting the safety and health of GM men and women on the job is given high priority throughout General Motors. More than 1,000 employees dedicate their entire time and effort to an intensive program of accident prevention and health maintenance. GM employees, supervisors, full-time safety and medical staffs and top management all work together in this coordinated and highly effective program.

As a result, GM's safety record has consistently been far better than the record for all industry. And in 1969, for the 21st time in 28 years, General Motors received the National Safety Council's Award of Honor for establishing a safety record better than its average record for the three preceding years. On the average, out of every thousand GM employees in the United States and Canada, 998.6 worked the entire year without any time lost from on-the-job accidents or occupational illness.

GM'S OWNERS

There were a total of 1,363,000 General Motors stockholders at the end of 1969. They live in every state of the United States, in every Canadian province and in more than 80 other countries.

Of General Motors' preferred and common stockholders, 68% are individual accounts, 20% are joint tenant accounts and 12% are institutions or groups, such as pension funds, insurance companies and colleges. Approximately 42% of GM stockholders own 25 shares or less and 79% own 100 shares or less.

SCIENTIFIC, PRODUCT AND INDUSTRIAL PROGRESS

GENERAL MOTORS TECHNICAL CENTER

The General Motors Technical Center north of Detroit is one of the world's greatest industrial research facilities. This group of 35 ultra-modern buildings, from gatehouses to laboratories, offices, and shop buildings, covers 330 acres of a 1,000-acre tract. Its various building groups stand along three sides of a 22-acre artificial lake, giving the Center a campus-like atmosphere. It is the workshop of more than 5,500 scientists, engineers, researchers, stylists, designers, mechanics, machinists, and other specialists who use science and technology to improve GM products and provide better values for GM customers.

Five central staff organizations are on the main Technical Center site—Research Laboratories, Engineering Staff, Styling, Manufacturing Development and the Service Section for the Center.

East of the central staff area, the Chevrolet Motor Division has its engineering center and the Fisher Body Division has its general offices and central engineering. More than 19,000 General Motors employees work in these facilities and the Technical Center.

GENERAL MOTORS PROVING GROUNDS

General Motors maintains the automotive industry's most extensive test facilities to improve its cars, trucks and other products and help meet the world's growing need for better transportation.

At locations in four states GM evaluates its current products, examines innovations proposed for future production and works to improve traffic safety, air pollution abatement and similar problems. The Proving Ground System, which employs some 2,000 persons, is part of the GM Engineering Staff which is headquartered at Warren, Mich.

The first General Motors Proving Ground was established near Milford, Mich., in 1924 and represented the industry's initial attempt to test its increasingly complex products under controlled, scientific conditions. A hot weather installation was inaugurated in 1937 at Phoenix, Ariz., for specialized testing. In 1954 a high altitude test center was set up at Manitou Springs, Colo., near the base of Pikes Peak.

The Milford Proving Ground covers 4,009 acres and includes 79 miles of roads into which a world-wide variety of terrain and surface characteristics plus advanced safety design and construction features have been built. Fifty-two buildings house such facilities as experimental and repair garages, an instrumentation development section, a noise and vibration laboratory, a vision and lighting area, equipment to conduct ride, handling or performance studies, two instant-acceleration sleds for simulating collisions and highly sophisticated electronic devices to operate or evaluate product tests.

The Milford complex also includes a Safety Research and Development Laboratory and a Vehicle Dynamics Test Area. These facilities are the largest and most modern installations of their type in the world and enable GM to undertake research, experimentation and testing that was previously impossible.

The Phoenix installation has been supplanted by the Desert Proving Ground which is located on 2,538 acres outside Mesa, Ariz. It has 18 miles of specialized roadway and 26 buildings. Utilizing the area's prevailing climate and geogra-

phy, the desert installation specializes in tire, air conditioner, dust filter, vapor lock, engine cooling and similar tests.

GM's broad study of vehicular air pollution emissions is augmented by test and surveillance work performed at the Milford and Desert Proving Grounds and at a fourth installation, the Vehicle Emission Laboratory at El Segundo, Calif.

PROGRESS IN HIGHWAY SAFETY

Safety has been a prime objective in the design and production of GM cars ever since the company was organized. Virtually every engineering advance over GM's 61-year history has contributed to the safety of the vehicles it produces and to the people who use them.

GM's Safety Research and Development Laboratory at its Milford, Michigan, Proving Ground is the largest facility for automotive safety development work in the world.

Our approach to vehicle safety involves two basic concepts—*accident prevention* and *accident survivability*. Accident prevention encompasses many built-in features to help drivers avoid accidents—brakes, lighting, visibility, steering, suspension systems and overall vehicle responsiveness. The accident survivability concept involves the reduction of injury potential for occupants in the event an accident does occur. Efforts in this direction have made the car body a stronger basic container for people with more occupant protection inside. Among the most recent improvements providing increased interior impact protection are: energy-absorbing steering column; improved instrument panels and other interior components; thicker laminate windshields; improved door hinges, latches and locks; side impact beams; redesigned and relocated instruments and controls, and restraint systems.

While the car understandably is the primary concern, General Motors also contributes to the promotion of highway safety through a broad range of activities directed toward both the driver and the road—the other two elements in the highway safety triangle. In the area of driver improvement, the most notable is high school driver education. During the 1968-69 school year, high school students received driver training in more than 28,300 cars and trucks provided to schools by General Motors and its dealers.

PROGRESS IN CONTROLLING VEHICULAR AIR POLLUTION

General Motors has made substantial progress in reducing pollutants from its vehicles and has publicly pledged to solve the vehicle's part of the air pollution problem in the shortest possible time.

As a result of incorporating a number of pollution control systems in its cars, beginning with 1961 model cars in California, General Motors has reduced hydrocarbon emissions in all its 1970 models by 70% compared to the level of an uncontrolled 1960 car. In California, where 1970 cars have evaporative systems installed, hydrocarbon emissions have been reduced by 80% compared to uncontrolled cars. Evaporative systems will be installed nationwide by GM on 1971 model cars.

Carbon monoxide emissions in new GM cars have been reduced by about 65% compared to uncontrolled cars. The third type of pollutant—oxides of nitrogen—is being limited on GM cars by a transmission-controlled spark. Most 1970 model GM cars nationwide already meet the levels for oxides of nitrogen established for 1971 models in California.

Details of GM's work in the control of vehicular air pollution is available upon request.

EDUCATIONAL PROGRAMS

SUPPORT OF EDUCATION

General Motors financial contributions in the field of aid to education which consists of scholarships, fellowships and grants to colleges, universities, and associations of colleges amounted to \$4.9 million in 1969. Under the General Motors Scholarship Plan in the 1969-70 academic year, 1,198 young men and women are taking courses at 240 colleges and universities. While the participating colleges have full discretion in the allocation of GM scholarships and in the selection of students, they have been asked to give preference to those applicants who look forward to careers in industry. For example, those institutions which offer programs in engineering are urged to select qualified young people who are interested in this field of study. Colleges which do not offer degrees in engineering are being asked to select students in business administration, economics, mathematics and science. Through 1969, some 4,200 GM scholarship holders have been graduated from U. S. colleges and universities. Their records have been outstanding both in class and campus activities, and about 70 percent have studied or plan to study for advanced degrees.

GENERAL MOTORS INSTITUTE

General Motors Institute began in 1919 as an evening school and became a part of General Motors in 1926. It has developed into the world's largest industrial educational institution. Accredited as a bachelor degree-granting college by the North Central Association of Colleges and Secondary Schools, it offers programs using the cooperative plan of education. The Engineering Program leads to the bachelor's degree in industrial, mechanical or electrical engineering. The Industrial Administration program leads to a bachelor's degree in Industrial Administration. As the central training agency for General Motors, GMI also conducts a wide range of part-time management and continuing education courses for the development of employees of GM units.

Students with good scholastic and leadership qualities are appointed by General Motors units to the cooperative programs which involve alternating periods of study at GMI and related work assignments in GM units. Approximately 3,000 students are enrolled in these programs.

During 1969, the Institute's entire educational and training activities served about 27,000 GM employees.

Information is available from the Admissions Office, General Motors Institute, Flint, Michigan. Public Relations for the Institute is handled by William Sines—Telephone: Area 313-766-9445.

SERVICES TO EDUCATORS

Educational Relations of the General Motors Public Relations Staff coordinates inquiries from educators and promotes understanding between GM and the educational community.

GM offers a variety of classroom teaching aids and other types of assistance to educators upon request. Over 400 educational aids are available from divisions and central office staffs in the form of films, booklets, charts, and manuals. For example, these materials provide information on career guidance, basic scientific and engineering principles, vocational training, automobile and highway safety, and GM history. In addition, tours of most GM plants can be arranged for educator groups.

Copies of articles prepared by GM people on a variety of subjects including environmental factors, materials, energy conversion, processing systems, and manpower development are available to college-level educators. Kits of resource

materials have been prepared for teachers of mathematics, science, drafting, social studies, and driver education.

GM also sponsors a program of summer employment for selected science and mathematics teachers from high schools in plant city areas. This program concludes with a one-week conference in Detroit. Other educator conferences include a national conference for guidance counselors and various local conferences for specialized groups of educational administrators or faculty.

Another service to educators is the donation of product components to eligible schools and colleges for educational use in shops or laboratories.

The GM Previews of Progress, originated in 1937, is a traveling science assembly program presented live and free of charge at junior and senior high schools throughout the country. Showings are scheduled by the seven units now operating in the United States. About 1.5 million persons will see the shows this year in some 2,500 schools.

YOUTH ACTIVITIES

In the 1968-69 school year, General Motors granted allowances to GM dealers totaling \$10.8 million on 27,700 vehicles which were loaned to high schools for driver training programs.

American Youth, a magazine edited especially for teenagers with particular emphasis on safe driving practices, is sent free by General Motors to newly-licensed young drivers for one year. It is published quarterly and has a circulation of about 2,000,000 per issue.

Other General Motors educational activities include support for farm youth programs, including sponsorship since 1945 of the National 4-H Safety Program and participation in the National Program of Future Farmers of America; and the All-American Soap Box Derby, an annual event which includes boys from six foreign countries. Chevrolet Motor Division began its exclusive sponsorship of the Soap Box Derby in 1934. Since then more than a million boys have participated in the Derby which is sponsored by Chevrolet in cooperation with newspapers, television, radio stations, civic groups and fraternal organizations.

The Green Pennant Safety Program is a student traffic safety activity aimed at reducing injury accidents among school children. It operates under GM sponsorship in more than 900 cities in 48 states and involves some 8,000 schools and more than 4.15 million students.

GENERAL MOTORS TRAINING CENTERS

To offer increasingly better service to owners of General Motors products, GM conducts an educational program in 30 training centers across the nation to keep automotive mechanics abreast of improved service methods and technological advances. The facilities are also used to train GM dealer personnel in management and selling techniques. More than 6,675,000 enrollees have participated in GM training programs in 16 years of operation.

A typical center has specialized shop classrooms for use by Chevrolet, Pontiac, Oldsmobile, Buick, Cadillac, GMC Truck & Coach, Fisher Body, United Motors Service and Frigidaire divisions. Several centers also have facilities for training mechanics in servicing Allison transmissions, Detroit Diesel engines and Earthmoving road machinery. AC Spark Plug also conducts special classes. Courses last from one to 10 days.

High school and vocational school teachers also are invited each summer to attend classes at the centers dealing with the latest automotive repair and service techniques. Last year approximately 1,100 teachers received more than 56,000 hours of instruction in 26 training center locations.

HISTORICAL HIGHLIGHTS

GROWTH OF GENERAL MOTORS

R. E. Olds built his first successful Oldsmobile in 1897. Five years later Henry M. Leland founded Cadillac, and in 1903 the Buick Motor Company was formed from a predecessor firm established by David Buick. In 1907 Edward M. Murphy organized the Oakland Motor Car Company in Pontiac, Michigan. These four firms became the nucleus of General Motors, following its incorporation by W. C. Durant on September 16, 1908.

Durant had genius as a creator and salesman but lacked administrative talent. Twice GM experienced serious financial difficulties—in 1910 and again in 1920. Alfred P. Sloan, Jr., who assumed the GM presidency in 1923, recognized GM's basic organizational problems and created a new concept of management philosophy. To achieve the balance necessary for flexible operation, he established GM management on a foundation of centralized policy and decentralized administration. This idea has since been adopted by many other companies.

GM was a pioneer in many ways. Most early car manufacturers concentrated on a few models in a particular price class, but GM's management sought diversification in both price and makes of cars.

The company was quick to recognize disadvantages in depending wholly upon outside sources for parts. The first exclusive parts manufacturing unit to join General Motors (in 1910) was Jackson-Church-Wilcox, forerunner of the Saginaw Steering Gear Division. It was followed in the same year by the Champion Ignition Company, now AC Spark Plug Division.

Another important step toward closer supervision over quality and cost of parts was taken in 1918, when United Motors Corporation joined GM. This organization included the Dayton Engineering Laboratories, Remy Electric, Klaxon, Harrison Radiator, Jaxon Steel Products, Hyatt Roller Bearing, New Departure and United Motors Service companies. Also in 1918, the GM lines of cars were augmented by Chevrolet, and in the following year Fisher Body became affiliated with GM.

The growth of General Motors since then has been largely from within. The name Frigidaire, for example, was virtually unknown when GM launched the division's pioneering career in the household appliance industry. Development by GM of the two-cycle Diesel engine sparked the growth of the entire group of Diesel divisions. Allison Division is now a leading producer of aviation engines and heavy-duty transmissions, but it was only a small engineering firm when it joined GM in 1929.

Growth of General Motors in Canada has paralleled that in the United States. The McLaughlin Motor Car Co. Ltd. began manufacturing Buicks in Canada under contract in 1907, and participated in organizing the Chevrolet Motor Company of Canada in 1915. The two firms were merged to form General Motors of Canada, Ltd. in 1918. Another subsidiary, The McKinnon Industries, Ltd., which was organized in 1878 and joined GM in 1929, manufactures major parts and assemblies for GM Canadian cars. Frigidaire Products of Canada Ltd. was organized in 1941 and General Motors Diesel Ltd. in 1949.

By the 1920's, the world-wide automobile market had grown sufficiently for GM to take advantage of the economies of assembling American-type vehicles overseas, and a number of assembly plants abroad were established between 1923 and 1928. It soon became evident, however, that the major share of growing overseas demand would be met by smaller, lighter,

smaller engined, low priced cars. Accordingly, General Motors assumed the manufacture of Vauxhall cars in England in 1925 and of Opel cars and trucks in Germany in 1929.

GM's third overseas manufacturing operation was inaugurated in Australia in 1948 with introduction of the Holden, the first motor vehicle to be built in that country. GM had assembled vehicles in Australia since 1926. In South America, where GM's first assembly plants were opened in 1925, the company now manufactures cars and trucks in Argentina and Brazil and assembles vehicles in Chile, Peru, Uruguay, and Venezuela. GM also manufactures vehicles in Mexico and South Africa.

General Motors products are sold and serviced in every country of the free world. In a number of countries abroad, GM also manufactures automotive parts and accessories, Frigidaire household and commercial appliances and Earth-moving off-highway equipment.

PRODUCTION TOTALS

The following figures represent the world-wide unit production by General Motors of certain products from the time GM began building them through December 31, 1969. GM, of course, also builds many other important products.

Passenger cars	115,243,323
Commercial vehicles	21,833,675
Diesel locomotives	26,022
Diesel engines	1,351,355
Aircraft engines	268,273

CHAIRMEN AND PRESIDENTS OF GENERAL MOTORS

Chairmen of the Board

THOMAS NEAL	Nov. 19, 1912—Nov. 16, 1915
PIERRE S. DU PONT	Nov. 16, 1915—Feb. 7, 1929
LAMMOT DU PONT	Feb. 7, 1929—May 3, 1937
ALFRED P. SLOAN, JR.	May 3, 1937—April 2, 1956
ALBERT BRADLEY	April 2, 1956—Aug. 31, 1958
FREDERIC G. DONNER	Sept. 1, 1958—Oct. 31, 1967
JAMES M. ROCHE	Nov. 1, 1967—

Presidents

GEORGE E. DANIELS	Sept. 22, 1908—Oct. 20, 1908
WILLIAM M. EATON	Oct. 20, 1908—Nov. 23, 1910
JAMES J. STORROW	Nov. 23, 1910—Jan. 26, 1911
THOMAS NEAL	Jan. 26, 1911—Nov. 19, 1912
CHARLES W. NASH	Nov. 19, 1912—June 1, 1916
WILLIAM C. DURANT	June 1, 1916—Nov. 30, 1920
PIERRE S. DU PONT	Nov. 30, 1920—May 10, 1923
ALFRED P. SLOAN, JR.	May 10, 1923—May 3, 1937
WILLIAM S. KNUDSEN	May 3, 1937—Sept. 3, 1940
CHARLES E. WILSON	Jan. 6, 1941—Jan. 26, 1953
HARLOW H. CURTICE	Feb. 2, 1953—Aug. 31, 1958
JOHN F. GORDON	Sept. 1, 1958—May 31, 1965
JAMES M. ROCHE	June 1, 1965—Oct. 31, 1967
EDWARD N. COLE	Nov. 1, 1967—

Mr. Wilson served as acting president from June 18, 1940, when Mr. Knudsen was granted a leave of absence to direct national industrial defense production, until his election as president. Mr. Curtice served as acting president from December 1, 1952, when Mr. Wilson was granted a leave of absence from GM prior to his confirmation as Secretary of Defense, until his election as president.

FAMOUS GM DATES

1897	Olds Motor Vehicle Company organized and first Oldsmobile produced.	1925	Yellow Truck & Coach Manufacturing Company organized, with General Motors Truck as a subsidiary and General Motors Corporation holding a large interest.
1901	First American car to be manufactured in quantity was the famous curved-dash Oldsmobile runabout.		Vauxhall Motors Ltd., Luton, England, acquired by General Motors.
1902	Cadillac Automobile Company organized.		General Exchange Insurance Corporation (predecessor of Motors Insurance Corporation) organized by General Motors.
1903	Buick Motor Company organized.	1926	Pontiac car introduced by Oakland.
1907	Oakland Motor Car Company (predecessor of Pontiac Motor Division) organized.		Cadillac introduced shatter-resistant safety glass.
1908	Fisher Body Company organized.	1928	Synchromesh transmission introduced by Cadillac.
	General Motors Company organized (Sept. 16).	1929	First room air conditioner manufactured by Frigidaire.
	Cadillac won Dewar trophy in London for demonstrating interchangeability of parts, a basic element in mass production.		Adam Opel A. G., Germany, acquired by General Motors.
1910	Cadillac was first manufacturer to offer closed bodies as standard equipment.		Allison Engineering Company joined General Motors.
1911	Chevrolet Motor Company and General Motors Export Company organized.	1933	No-Draft Ventilation, developed by Fisher Body, introduced on all GM cars.
	First successful electric self-starter developed by C. F. Kettering and installed in a Cadillac.		Individual front wheel suspension, called Knee-Action, developed by GM Engineering Staff.
	General Motors Truck Company organized to handle sales of GM's Rapid and Reliance products.	1934	Two-cycle Diesel developed by GM hauled the first American Diesel-powered streamlined train.
1914	Cadillac was first in U. S. to produce a V-type, water-cooled, eight-cylinder engine.	1935	Electro-Motive Division established.
1916	General Motors organized as a corporation under Delaware law (Oct. 13) to acquire all stock of the General Motors Company.	1937	Detroit Diesel Engine Division organized.
1918	Chevrolet Motor Company joined GM.	1939	Hydra-Matic, first completely automatic shift transmission, introduced by Detroit Transmission Division (now Hydra-Matic Division) on Oldsmobile's 1940 models.
	United Motors Corporation joined General Motors.		First turn signals in the automotive industry developed by Guide Lamp Division and introduced by Buick.
	General Motors of Canada, Limited formed through merger of McLaughlin Motor Car Company, Ltd. and Chevrolet Motor Company of Canada, Ltd.	1940	GM produced its 25,000,000th car. (Jan. 11).
1919	Fisher Body became affiliated with General Motors.	1940-45	GM delivered more than \$12,300,000,000 worth of war material, including airplane engines, airplanes and parts, trucks, tanks, marine Diesels, guns, shells and miscellaneous products.
	General Motors Acceptance Corporation organized.	1947	GM Train of Tomorrow, featuring the famous Astra Domes, started two-and-a-half year tour of the U. S. and Canada.
	GM Building begun in Detroit.	1948	Cadillac and Oldsmobile introduced first high compression V-8 engines.
	Frigidaire Corporation joined GM.		Buick introduced first torque converter type automatic transmission offered in U. S. passenger car.
	GM Institute opened at Flint as part-time training school.		First mass-produced car to be manufactured in Australia, the Holden, introduced by GM.
1920	GM Research Corporation (predecessor of GM Research Laboratories) established.	1950	First Canadian-built GM Diesel locomotive delivered by General Motors Diesel Limited.
1923	Four-wheel brakes appeared on 1924 Buicks.	1952	Power steering offered by Cadillac, Oldsmobile and Buick.
	Ethyl gasoline, developed in GM Research Laboratories, first sold commercially.		
1924	General Motors Proving Ground, Milford, Michigan, established.		
	First GM vehicle assembled abroad, in Denmark.		

- 1953 12-volt electrical systems, developed by Delco-Remy Division, installed on Cadillacs, Oldsmobiles and Buicks.
First of 30 GM training centers opened in Detroit.
Power brakes offered by Buick and Oldsmobile.
Chevrolet Corvette introduced featuring first molded plastic body to be produced in quantity.
- 1954 GM announces \$1 billion two-year capital expenditure program.
GM produced its 50,000,000th U.S.-made car (Nov. 23).
GM introduced the XP-21 Firebird, first gas turbine automobile built and tested in U.S.
Turbocruiser, world's first gas turbine bus, introduced.
GM Desert Proving Ground, Mesa, Arizona, established.
Four-unit headlights first shown to public on Cadillac experimental La Espada.
- 1955 First four-door hardtop sedans offered public by Buick and Oldsmobile.
GM Powerama attracted 2,218,412 visitors in its showing on the Chicago lakefront.
- 1956 GM Technical Center dedicated on May 16.
- 1957 Chevrolet introduced Turboglide transmission with triple-turbine torque converter.
- 1958 GM marked 50th anniversary with year-long Golden Milestone celebration.
Frost-Proof system completely eliminating need for defrosting freezer section and refrigerator compartment introduced by Frigidaire.
- 1959 Chevrolet introduced the Corvair, powered by air-cooled, lightweight, rear-mounted engine.
- 1960 Three GM divisions introduced new smaller cars: the Buick Special, Oldsmobile F-85 and the Pontiac Tempest.
- 1961 Buick introduced first American V-6 engine as standard on 1962 models of Special.
Chevrolet introduced a new line of smaller cars, the Chevy II.
- 1962 GM produced its 75,000,000th U.S.-made vehicle (March 14).
Number of General Motors shareholders passed the 1,000,000 mark.
GM's subsidiary in West Germany, Adam Opel A.G., observed its 100th anniversary and introduced a new car in the one-liter class, the 2-door, 4-passenger Kadett.
- 1963 A new car, Chevelle, was introduced by Chevrolet in September.
- 1964 A \$2 billion two-year capital expenditure program for plants and equipment was announced at the dedication of a new assembly plant at Fremont, California.
Plans announced for new General Motors Building in New York.
GM's Futurama at the New York World's Fair, attracted 15,681,000 visitors.
- 1965 Attendance at the second year of the Futurama exhibit exceeded 14,000,000 visitors—bringing the two-year total to more than 29,000,000 persons and setting an all-time international attendance record for an industrial exhibit.
GM produced its 10,000,000th vehicle outside the U.S. and Canada.
Annual shareholders meeting held for the first time in Detroit.
Oldsmobile introduced the front-wheel drive Toronado.
- 1966 Energy-absorbing steering column introduced.
GM demonstrates two operating experimental electrically-powered vehicles—a battery propelled passenger car (Electrovair II) and a fuel cell van (Electrovan).
Delco Radio Division produced its 50-millionth car radio.
Introduction of Cadillac's front-wheel drive Fleetwood Eldorado inaugurates a second assembly line at the Clark street location for the first time in the Division's 64-year history.
Chevrolet introduced its sixth line of cars, the "personal size" Camaro, a small, sports-type automobile carrying forward the long hood, short deck styling pioneered by Corvette.
- 1967 GM produced its 100,000,000th U.S.-made vehicle. (April 21).
Oldsmobile Division observed its 70th anniversary (August 21).
Pontiac introduced a third line of cars the Firebird, a sporty personal type automobile.
- 1968 Greater protection against passenger compartment penetration in side collisions was provided by the installation of high-strength steel beams welded horizontally in the doors of General Motors cars.
A 120,000 square-foot Safety Research and Development Laboratory and a 67-acre Vehicle Dynamics Test Area were dedicated at the Milford Proving Ground.
A new 50-story General Motors Building opened in New York.
GM announced it will produce an American-built small car in 1970.
AC Electronics Division supplied the guidance and navigation system that steered the three-man Apollo 8 spacecraft to the moon and back.
- 1969 General Motors Institute, accredited as a Bachelor's Degree granting institution, marked its 50th anniversary and dedicated its new South Campus. (May 9).
AC Electronics Division's Carousel IV inertial navigation system, which provides automatic guidance for commercial aircraft, made its debut in trans-Atlantic passenger service. (October). Guidance and navigation systems manufactured by AC Electronics Division which navigated the Apollo 11 & 12 vehicles on their journeys to the Moon.
GM presented its Progress of Power, a state-of-the-art report on various possible alternative sources of power for vehicles of the future. Some 44 exhibits and 26 special vehicles powered by steam, turbine, electric, Stirling, and hybrid systems were shown to the nation's press and representatives from government and educational institutions. (May 7-8).

